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KEN BENNETT
SECRETARY OF STATE

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Second Regular Session
2010

CHAPTER 17

HOUSE BILL 2128

AN ACT

AMENDING SECTIONS 15-101, 15-185, 15-255, 15-391, 15-392, 15-393, 15-394, 15-491, 15-782.02, 15-790, 15-808, 15-943.02, 15-947.01, 15-962.01, 15-971, 15-1021, 15-1042, 15-1444, 15-2031, 15-2041, 16-322 AND 35-701, ARIZONA REVISED STATUTES; RELATING TO JOINT TECHNICAL EDUCATION DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-101, Arizona Revised Statutes, is amended to
3 read:

4 15-101. Definitions

5 In this title, unless the context otherwise requires:

6 1. "Accommodation school" means either:

7 (a) A school which is operated through the county board of supervisors
8 and the county school superintendent and which the county school
9 superintendent administers to serve a military reservation or territory which
10 is not included within the boundaries of a school district.

11 (b) A school that provides educational services to homeless children
12 or alternative education programs as provided in section 15-308,
13 subsection B.

14 (c) A school that is established to serve a military reservation, the
15 boundaries of which are coterminous with the boundaries of the military
16 reservation on which the school is located.

17 2. "Assessed valuation" means the valuation derived by applying the
18 applicable percentage as provided in title 42, chapter 15, article 1 to the
19 full cash value or limited property value, whichever is applicable, of the
20 property.

21 3. "Charter holder" means a person that enters into a charter with the
22 state board for charter schools. For the purposes of this paragraph,
23 "person" means an individual, partnership, corporation, association or public
24 or private organization of any kind.

25 4. "Charter school" means a public school established by contract with
26 a district governing board, the state board of education or the state board
27 for charter schools pursuant to article 8 of this chapter to provide learning
28 that will improve pupil achievement.

29 5. "Child with a disability" means a child with a disability as
30 defined in section 15-761.

31 6. "Class A bonds" means general obligation bonds approved by a vote
32 of the qualified electors of a school district at an election held on or
33 before December 31, 1998.

34 7. "Class B bonds" means general obligation bonds approved by a vote
35 of the qualified electors of a school district at an election held from and
36 after December 31, 1998.

37 8. "Competency" means a demonstrated ability in a skill at a specified
38 performance level.

39 9. "Course" means organized subject matter in which instruction is
40 offered within a given period of time and for which credit toward promotion,
41 graduation or certification is usually given. A course consists of knowledge
42 selected from a subject for instructional purposes in the schools.

43 10. "Course of study" means a list of required and optional subjects to
44 be taught in the schools.

1 11. "Dual enrollment course" means a college level course that is
2 conducted on the campus of a high school or on the campus of a joint
3 ~~technological~~ TECHNICAL education district, that is applicable to an
4 established community college academic degree or certificate program and that
5 is transferable to a university under the jurisdiction of the Arizona board
6 of regents. A dual enrollment course that is applicable to a community
7 college occupational degree or certificate program may be transferable to a
8 university under the jurisdiction of the Arizona board of regents.

9 12. "Fiscal year" means the year beginning July 1 and ending June 30.

10 13. "Governing board" means a body organized for the government and
11 management of the schools within a school district or a county school
12 superintendent in the conduct of an accommodation school.

13 14. "Lease" means an agreement for conveyance and possession of real or
14 personal property.

15 15. "Limited property value" means the value determined pursuant to
16 title 42, chapter 13, article 7. Limited property value shall be used as the
17 basis for assessing, fixing, determining and levying primary property taxes.

18 16. "Parent" means the natural or adoptive parent of a child or a
19 person who has custody of a child.

20 17. "Person who has custody" means a parent or legal guardian of a
21 child, a person to whom custody of the child has been given by order of a
22 court or a person who stands in loco parentis to the child.

23 18. "Primary property taxes" means all ad valorem taxes except for
24 secondary property taxes.

25 19. "Private school" means a nonpublic institution where instruction is
26 imparted.

27 20. "School" means any public institution established for the purposes
28 of offering instruction to pupils in programs for preschool children with
29 disabilities, kindergarten programs or any combination of grades one through
30 twelve.

31 21. "School district" means a political subdivision of this state with
32 geographic boundaries organized for the purpose of the administration,
33 support and maintenance of the public schools or an accommodation school.

34 22. "Secondary property taxes" means ad valorem taxes used to pay the
35 principal of and the interest and redemption charges on any bonded
36 indebtedness or other lawful long-term obligation issued or incurred for a
37 specific purpose by a school district or a community college district and
38 amounts levied pursuant to an election to exceed a budget, expenditure or tax
39 limitation.

40 23. "Subject" means a division or field of organized knowledge, such as
41 English or mathematics, or a selection from an organized body of knowledge
42 for a course or teaching unit, such as the English novel or elementary
43 algebra.

1 Sec. 2. Section 15-185, Arizona Revised Statutes, is amended to read:
2 15-185. Charter schools; financing; civil penalty;
3 transportation; definitions

4 A. Financial provisions for a charter school that is sponsored by a
5 school district governing board are as follows:

6 1. The charter school shall be included in the district's budget and
7 financial assistance calculations pursuant to paragraph 3 of this subsection
8 and chapter 9 of this title, except for chapter 9, article 4 of this title.
9 The charter of the charter school shall include a description of the methods
10 of funding the charter school by the school district. The school district
11 shall send a copy of the charter and application, including a description of
12 how the school district plans to fund the school, to the state board of
13 education before the start of the first fiscal year of operation of the
14 charter school. The charter or application shall include an estimate of the
15 student count for the charter school for its first fiscal year of operation.
16 This estimate shall be computed pursuant to the requirements of paragraph 3
17 of this subsection.

18 2. A school district is not financially responsible for any charter
19 school that is sponsored by the state board of education or the state board
20 for charter schools.

21 3. A school district that sponsors a charter school may:

22 (a) Increase its student count as provided in subsection B, paragraph
23 2 of this section during the first year of the charter school's operation to
24 include those charter school pupils who were not previously enrolled in the
25 school district. A charter school sponsored by a school district governing
26 board is eligible for the assistance prescribed in subsection B, paragraph 4
27 of this section. The soft capital allocation as provided in section 15-962
28 for the school district sponsoring the charter school shall be increased by
29 the amount of the additional assistance. The school district shall include
30 the full amount of the additional assistance in the funding provided to the
31 charter school.

32 (b) Compute separate weighted student counts pursuant to section
33 15-943, paragraph 2, subdivision (a) for its noncharter school versus charter
34 school pupils in order to maintain eligibility for small school district
35 support level weights authorized in section 15-943, paragraph 1 for its
36 noncharter school pupils only. The portion of a district's student count
37 that is attributable to charter school pupils is not eligible for small
38 school district support level weights.

39 4. If a school district uses the provisions of paragraph 3 of this
40 subsection, the school district is not eligible to include those pupils in
41 its student count for the purposes of computing an increase in its revenue
42 control limit and district support level as provided in section 15-948.

43 5. A school district that sponsors a charter school is not eligible to
44 include the charter school pupils in its student count for the purpose of
45 computing an increase in its capital outlay revenue limit as provided in

1 section 15-961, subsection C, except that if the charter school was
2 previously a school in the district, the district may include in its student
3 count any charter school pupils who were enrolled in the school district in
4 the prior year.

5 6. A school district that sponsors a charter school is not eligible to
6 include the charter school pupils in its student count for the purpose of
7 computing the revenue control limit which is used to determine the maximum
8 budget increase as provided in chapter 4, article 4 of this title unless the
9 charter school is located within the boundaries of the school district.

10 7. If a school district converts one or more of its district public
11 schools to a charter school and receives assistance as prescribed in
12 subsection B, paragraph 4 of this section, and subsequently converts the
13 charter school back to a district public school, the school district shall
14 repay the state the total additional assistance received for the charter
15 school for all years that the charter school was in operation. The repayment
16 shall be in one lump sum and shall be reduced from the school district's
17 current year equalization assistance. The school district's general budget
18 limit shall be reduced by the same lump sum amount in the current year.

19 B. Financial provisions for a charter school that is sponsored by the
20 state board of education or the state board for charter schools are as
21 follows:

22 1. The charter school shall calculate a base support level as
23 prescribed in section 15-943, except that sections 15-941 and 15-942 do not
24 apply to these charter schools.

25 2. Notwithstanding paragraph 1 of this subsection, the student count
26 shall be determined initially using an estimated student count based on
27 actual registration of pupils before the beginning of the school year. After
28 the first one hundred days or two hundred days in session, as applicable, the
29 charter school shall revise the student count to be equal to the actual
30 average daily membership, as defined in section 15-901, or the adjusted
31 average daily membership, as prescribed in section 15-902, of the charter
32 school. A charter school that provides two hundred days of instruction may
33 use section 15-902.02 for the purposes of this section. Before the one
34 hundredth day or two hundredth day in session, as applicable, the state board
35 of education or the state board for charter schools may require a charter
36 school to report periodically regarding pupil enrollment and attendance, and
37 the department of education may revise its computation of equalization
38 assistance based on the report. A charter school shall revise its student
39 count, base support level and additional assistance before May 15. A charter
40 school that overestimated its student count shall revise its budget before
41 May 15. A charter school that underestimated its student count may revise
42 its budget before May 15.

1 3. A charter school may utilize section 15-855 for the purposes of
2 this section. The charter school and the department of education shall
3 prescribe procedures for determining average daily attendance and average
4 daily membership.

5 4. Equalization assistance for the charter school shall be determined
6 by adding the amount of the base support level and additional assistance.
7 The amount of the additional assistance is one thousand five hundred
8 eighty-eight dollars forty-four cents per student count in kindergarten
9 programs and grades one through eight and one thousand eight hundred
10 fifty-one dollars thirty cents per student count in grades nine through
11 twelve.

12 5. The state board of education shall apportion state aid from the
13 appropriations made for such purposes to the state treasurer for disbursement
14 to the charter schools in each county in an amount as determined by this
15 paragraph. The apportionments shall be made as prescribed in section 15-973,
16 subsection B.

17 6. The charter school shall not charge tuition for pupils who reside
18 in this state, levy taxes or issue bonds. A charter school may admit pupils
19 who are not residents of this state and shall charge tuition for those pupils
20 in the same manner prescribed in section 15-823.

21 7. Not later than noon on the day preceding each apportionment date
22 established by paragraph 5 of this subsection, the superintendent of public
23 instruction shall furnish to the state treasurer an abstract of the
24 apportionment and shall certify the apportionment to the department of
25 administration, which shall draw its warrant in favor of the charter schools
26 for the amount apportioned.

27 C. If a pupil is enrolled in both a charter school and a public school
28 that is not a charter school, the sum of the daily membership, which includes
29 enrollment as prescribed in section 15-901, subsection A, paragraph 2,
30 subdivisions (a) and (b) and daily attendance as prescribed in section
31 15-901, subsection A, paragraph 6, for that pupil in the school district and
32 the charter school shall not exceed 1.0, except that if the pupil is enrolled
33 in both a charter school and a joint ~~technological~~ TECHNICAL education
34 district and resides within the boundaries of a school district participating
35 in the joint ~~technological~~ TECHNICAL education district, the sum of the
36 average daily membership for that pupil in the charter school and the joint
37 ~~technological~~ TECHNICAL education district shall not exceed 1.25. If a pupil
38 is enrolled in both a charter school and a public school that is not a
39 charter school, the department of education shall direct the average daily
40 membership to the school with the most recent enrollment date. Upon
41 validation of actual enrollment in both a charter school and a public school
42 that is not a charter school and if the sum of the daily membership or daily
43 attendance for that pupil is greater than 1.0, the sum shall be reduced to
44 1.0 and shall be apportioned between the public school and the charter school
45 based on the percentage of total time that the pupil is enrolled or in

1 attendance in the public school and the charter school, except that if the
2 pupil is enrolled in both a charter school and a joint ~~technological~~
3 TECHNICAL education district and resides within the boundaries of a school
4 district participating in the joint ~~technological~~ TECHNICAL education
5 district, the sum of the average daily membership for that pupil in the
6 charter school and the joint ~~technological~~ TECHNICAL education district shall
7 be reduced to 1.25 and shall be apportioned between the charter school and
8 the joint ~~technological~~ TECHNICAL education district based on the percentage
9 of total time that the pupil is enrolled or in attendance in the charter
10 school and the joint ~~technological~~ TECHNICAL education district. The uniform
11 system of financial records shall include guidelines for the apportionment of
12 the pupil enrollment and attendance as provided in this section.

13 D. Charter schools are allowed to accept grants and gifts to
14 supplement their state funding, but it is not the intent of the charter
15 school law to require taxpayers to pay twice to educate the same pupils. The
16 base support level for a charter school or for a school district sponsoring a
17 charter school shall be reduced by an amount equal to the total amount of
18 monies received by a charter school from a federal or state agency if the
19 federal or state monies are intended for the basic maintenance and operations
20 of the school. The superintendent of public instruction shall estimate the
21 amount of the reduction for the budget year and shall revise the reduction to
22 reflect the actual amount before May 15 of the current year. If the
23 reduction results in a negative amount, the negative amount shall be used in
24 computing all budget limits and equalization assistance, except that:

- 25 1. Equalization assistance shall not be less than zero.
26 2. For a charter school sponsored by the state board of education or
27 the state board for charter schools, the total of the base support level and
28 the additional assistance shall not be less than zero.
29 3. For a charter school sponsored by a school district, the base
30 support level for the school district shall not be reduced by more than the
31 amount that the charter school increased the district's base support level,
32 capital outlay revenue limit and soft capital allocation.

33 E. If a charter school was a district public school in the prior year
34 and is now being operated for or by the same school district and sponsored by
35 the state board of education, the state board for charter schools or a school
36 district governing board, the reduction in subsection D of this section
37 applies. The reduction to the base support level of the charter school or
38 the sponsoring district of the charter school shall equal the sum of the base
39 support level and the additional assistance received in the current year for
40 those pupils who were enrolled in the traditional public school in the prior
41 year and are now enrolled in the charter school in the current year.

42 F. Equalization assistance for charter schools shall be provided as a
43 single amount based on average daily membership without categorical
44 distinctions between maintenance and operations or capital.

1 G. At the request of a charter school, the county school
2 superintendent of the county where the charter school is located may provide
3 the same educational services to the charter school as prescribed in section
4 15-308, subsection A. The county school superintendent may charge a fee to
5 recover costs for providing educational services to charter schools.

6 H. If the sponsor of the charter school determines at a public meeting
7 that the charter school is not in compliance with federal law, with the laws
8 of this state or with its charter, the sponsor of a charter school may submit
9 a request to the department of education to withhold up to ten per cent of
10 the monthly apportionment of state aid that would otherwise be due the
11 charter school. The department of education shall adjust the charter
12 school's apportionment accordingly. The sponsor shall provide written notice
13 to the charter school at least seventy-two hours before the meeting and shall
14 allow the charter school to respond to the allegations of noncompliance at
15 the meeting before the sponsor makes a final determination to notify the
16 department of education of noncompliance. The charter school shall submit a
17 corrective action plan to the sponsor on a date specified by the sponsor at
18 the meeting. The corrective action plan shall be designed to correct
19 deficiencies at the charter school and to ensure that the charter school
20 promptly returns to compliance. When the sponsor determines that the charter
21 school is in compliance, the department of education shall restore the full
22 amount of state aid payments to the charter school.

23 I. In addition to the withholding of state aid payments pursuant to
24 subsection H of this section, the sponsor of a charter school may impose a
25 civil penalty of one thousand dollars per occurrence if a charter school
26 fails to comply with the fingerprinting requirements prescribed in section
27 15-183, subsection C or section 15-512. The sponsor of a charter school
28 shall not impose a civil penalty if it is the first time that a charter
29 school is out of compliance with the fingerprinting requirements and if the
30 charter school provides proof within forty-eight hours of written
31 notification that an application for the appropriate fingerprint check has
32 been received by the department of public safety. The sponsor of the charter
33 school shall obtain proof that the charter school has been notified, and the
34 notification shall identify the date of the deadline and shall be signed by
35 both parties. The sponsor of a charter school shall automatically impose a
36 civil penalty of one thousand dollars per occurrence if the sponsor
37 determines that the charter school subsequently violates the fingerprinting
38 requirements. Civil penalties pursuant to this subsection shall be assessed
39 by requesting the department of education to reduce the amount of state aid
40 that the charter school would otherwise receive by an amount equal to the
41 civil penalty. The amount of state aid withheld shall revert to the state
42 general fund at the end of the fiscal year.

43 J. A charter school may receive and spend monies distributed by the
44 department of education pursuant to section 42-5029, subsection E and section
45 37-521, subsection B.

1 K. If a school district transports or contracts to transport pupils to
2 the Arizona state schools for the deaf and the blind during any fiscal year,
3 the school district may transport or contract with a charter school to
4 transport sensory impaired pupils during that same fiscal year to a charter
5 school if requested by the parent of the pupil and if the distance from the
6 pupil's place of actual residence within the school district to the charter
7 school is less than the distance from the pupil's place of actual residence
8 within the school district to the campus of the Arizona state schools for the
9 deaf and the blind.

10 L. For the purposes of this section:

11 1. "Monies intended for the basic maintenance and operations of the
12 school" means monies intended to provide support for the educational program
13 of the school, except that it does not include supplemental assistance for a
14 specific purpose or title VIII of the elementary and secondary education act
15 of 1965 monies. The auditor general shall determine which federal or state
16 monies meet the definition in this paragraph.

17 2. "Operated for or by the same school district" means the charter
18 school is either governed by the same district governing board or operated by
19 the district in the same manner as other traditional schools in the district
20 or is operated by an independent party that has a contract with the school
21 district. The auditor general and the department of education shall
22 determine which charter schools meet the definition in this subsection.

23 Sec. 3. Section 15-255, Arizona Revised Statutes, is amended to read:

24 15-255. Annual report; contents; definition

25 A. The superintendent of public instruction shall make a report to the
26 governor and the legislature on or before January 15 each year. The report
27 shall be in printed form.

28 B. The report shall contain:

29 1. A full statement of the condition and amount of all funds and
30 property apportioned for the purpose of education.

31 2. The total current expenditures per pupil and separate per pupil
32 amounts for classroom supplies, classroom instruction excluding classroom
33 supplies, district and school administration, support services-students, and
34 all other support services and operations. These per pupil amounts shall be
35 calculated for the state by type of district or school. The method of
36 calculating these per pupil amounts shall be as prescribed in the uniform
37 system of financial records.

38 3. The number and grades of schools in each county.

39 4. The number of children attending schools.

40 5. The average number of children who have attended the schools during
41 each of the two years previous to July 1 of the year in which the report is
42 made.

43 6. The number of children attending private schools.

44 7. The amount of school monies derived from county taxes.

45 8. The amount of school monies derived other than by county taxes.

1 9. The amount of federal monies that was received during the previous
2 year and that was specified for Indian education aid and emergency
3 operational aid.

4 10. The amounts expended for salaries of teachers and superintendents
5 and for building of schools.

6 11. A statement of plans for the management of schools.

7 12. Such other information relating to the educational interests of
8 this state as the superintendent deems expedient.

9 C. In addition to the printed report required by subsections A and B
10 of this section, the superintendent of public instruction shall make
11 available in electronic form a supplemental report that provides detail
12 regarding current expenditures by function code for each individual school
13 district. For THE purposes of this subsection, "function code" means the
14 function codes defined in the uniform system of financial records provided
15 for in section 15-272.

16 D. For the purposes of this section, "type of district or school"
17 means accommodation school, unified school district, common school district
18 not within the boundaries of a high school district, common school district
19 within the boundaries of a high school district, high school district, joint
20 ~~technological~~ TECHNICAL education district and charter school.

21 Sec. 4. Section 15-391, Arizona Revised Statutes, is amended to read:
22 15-391. Definitions

23 In this article, unless the context otherwise requires:

24 1. "Joint board" means a joint ~~technological~~ TECHNICAL education
25 district governing board.

26 2. "Joint district" means a joint ~~technological~~ TECHNICAL education
27 district.

28 3. "Joint ~~technological~~ TECHNICAL education course" means a course
29 that is offered by a joint ~~technological~~ TECHNICAL education district AS PART
30 OF A JOINT TECHNICAL EDUCATION DISTRICT PROGRAM, THAT IS APPROVED BY THE
31 CAREER AND TECHNICAL EDUCATION DIVISION OF THE DEPARTMENT OF EDUCATION and
32 that meets each of the following requirements:

33 ~~(a) Is designed to directly lead the student toward a specific career,~~
34 ~~vocation or industry.~~

35 ~~(b)~~ (a) Is taught by an instructor who is certified to teach career
36 and technical education by the state board of education or by a postsecondary
37 educational institution.

38 ~~(c) Requires specialized equipment or specialized instruction~~
39 ~~materials above and beyond the scope and cost of a standard educational~~
40 ~~course.~~

41 ~~(d) Is designed to lead the student toward certification that is~~
42 ~~accepted by a vocation or industry as a demonstration of skill or competency~~
43 ~~in that vocation or industry.~~

1 ~~(e)~~ (b) Is part of a program that requires students to obtain a
2 passing score on an examination that demonstrates a level of skill or
3 competency for that program of study that is accepted by a vocation or an
4 industry.

5 (c) IS PART OF AN APPROVED JOINT TECHNICAL EDUCATION DISTRICT PROGRAM.

6 ~~(f) Meets the standards of a career preparatory vocational program as~~
7 ~~determined by the career and technical education division of the department~~
8 ~~of education.~~

9 ~~(g) Is certified by the joint technological education district~~
10 ~~governing board as having met all the requirements of this article.~~

11 ~~(h) From and after December 31, 2006, is approved by the career and~~
12 ~~technical education division of the department of education based on the~~
13 ~~requirements prescribed in this paragraph within one hundred twenty days~~
14 ~~after the submission of all required documentation.~~

15 ~~(i) Is only offered to students in grades nine, ten, eleven and~~
16 ~~twelve.~~

17 4. "Joint technological TECHNICAL education district" means a district
18 that is formed pursuant to this article and that offers joint technological
19 TECHNICAL education courses.

20 5. "JOINT TECHNICAL EDUCATION DISTRICT PROGRAM" MEANS A SEQUENCE OF
21 COURSES THAT IS OFFERED BY A JOINT TECHNICAL EDUCATION DISTRICT AND THAT
22 MEETS ALL OF THE FOLLOWING REQUIREMENTS:

23 (a) IS TAUGHT BY AN INSTRUCTOR WHO IS CERTIFIED TO TEACH CAREER AND
24 TECHNICAL EDUCATION BY THE STATE BOARD OF EDUCATION OR BY A POSTSECONDARY
25 EDUCATIONAL INSTITUTION.

26 (b) REQUIRES AN ASSESSMENT THAT DEMONSTRATES A LEVEL OF SKILL OR
27 COMPETENCY IN A VOCATION OR INDUSTRY OR THAT LEADS TO CERTIFICATION IN AND
28 ACCEPTANCE BY THAT VOCATION OR INDUSTRY.

29 (c) REQUIRES SPECIALIZED EQUIPMENT OR INSTRUCTIONAL MATERIALS THAT
30 EXCEED THE SCOPE AND COST OF A STANDARD EDUCATIONAL COURSE.

31 (d) REQUIRES WORK-BASED LEARNING COMPONENTS, CAREER AND TECHNICAL
32 STUDENT ORGANIZATION PARTICIPATION AND LABORATORY EXPERIENCE AS DETERMINED BY
33 THE CAREER AND TECHNICAL EDUCATION DIVISION OF THE DEPARTMENT OF EDUCATION.

34 (e) MEETS THE STANDARDS OF A CAREER AND TECHNICAL EDUCATION
35 PREPARATORY PROGRAM AS DETERMINED BY THE CAREER AND TECHNICAL EDUCATION
36 DIVISION OF THE DEPARTMENT OF EDUCATION.

37 (f) HAD A DEFINED PATHWAY TO CAREER AND POSTSECONDARY EDUCATION.

38 (g) IS APPROVED BY THE CAREER AND TECHNICAL EDUCATION DIVISION OF THE
39 DEPARTMENT OF EDUCATION BASED ON THE REQUIREMENTS PRESCRIBED IN THIS
40 PARAGRAPH WITHIN ONE HUNDRED TWENTY DAYS AFTER THE SUBMISSION OF ALL REQUIRED
41 DOCUMENTATION.

42 (h) IS CERTIFIED BY THE JOINT TECHNICAL EDUCATION DISTRICT GOVERNING
43 BOARD TO HAVE MET ALL THE REQUIREMENTS PRESCRIBED IN THIS ARTICLE.

1 (i) IS OFFERED ONLY TO STUDENTS IN GRADES NINE, TEN, ELEVEN AND
2 TWELVE.

3 5- 6. "State board" means the state board of education.

4 Sec. 5. Section 15-392, Arizona Revised Statutes, is amended to read:
5 15-392. Formation of district

6 A. Notwithstanding any other provision of law, districts interested in
7 forming a joint ~~technological~~ TECHNICAL education district shall conduct a
8 study to determine the need to establish a joint ~~technological~~ TECHNICAL
9 education district in an area consisting of two or more school districts.
10 The districts shall also initiate a plan for the establishment and operation
11 of the joint district, which shall include a proposed budget based on a
12 reasonable estimate of student enrollment in the new joint district. Any
13 school district may assist in the preparation and payment of costs of the
14 study and plan. The districts shall file a copy of the plan with the
15 governing board of each school district included in the plan for the joint
16 district. The districts shall submit the results of the study and the plan,
17 along with evidence of approval by the governing board of each school
18 district included in the selected plan for the joint district, to the state
19 board of education.

20 B. If the state board of education determines that the plan submitted
21 for the proposed joint district has met the requirements of this section,
22 ~~until December 31, 2001, the question shall be submitted to the qualified~~
23 ~~electors of each school district at a general election or at any other~~
24 ~~election held on a date prescribed in section 16-204. After December 31,~~
25 ~~2001, the question shall be submitted to the qualified electors of the~~
26 ~~district seeking to become a part of the joint district at an election held~~
27 ~~on the first Tuesday after the first Monday in November. The question that~~
28 ~~is submitted to the qualified electors must describe the tax rate that is~~
29 ~~associated with joining the joint district and the estimated cost of that tax~~
30 ~~rate for the owner of a single family home that is valued at one hundred~~
31 ~~thousand dollars. If the electors in a district approve, then that district~~
32 ~~is authorized to participate in a joint ~~technological~~ TECHNICAL education~~
33 ~~district. The joint district shall become operational on July 1 following~~
34 ~~the election held pursuant to this subsection, except as provided in~~
35 ~~subsection D of this section.~~

36 C. The governing boards of the school districts participating in the
37 joint district may pay on a proportional basis the administrative, clerical
38 and other expenses necessary for the establishment and operation of the joint
39 district until monies are otherwise provided.

40 D. A joint ~~technological~~ TECHNICAL education district after receiving
41 voter approval as provided in subsection B of this section shall be governed
42 by a joint board consisting of members elected pursuant to section 15-393,
43 except that the initial composition of the joint board shall consist of one
44 person who is not currently a board member of any school district and who is
45 appointed by the governing board of each district participating in the joint

1 ~~technological~~ TECHNICAL education district. The terms of office of the joint
2 board members shall become effective on January 1 following the election held
3 pursuant to subsection B of this section. Upon the effective date of the
4 term of office for joint board members, the joint board may begin necessary
5 operations and activities related to making the district operational pursuant
6 to subsection B of this section. If less than five districts are
7 participating in the joint district, the initial composition of the joint
8 board shall consist of two persons who are not currently board members of any
9 school district and who are appointed by each participating district's
10 governing board. The appointed members shall serve until January 1 following
11 the next general election. At the general election held next following the
12 formation of the joint district and thereafter, joint board members shall be
13 elected as prescribed in section 15-393.

14 Sec. 6. Section 15-393, Arizona Revised Statutes, is amended to read:

15 15-393. Joint technical education district governing board;
16 report; definition

17 A. The management and control of the joint district are vested in the
18 joint ~~technological~~ TECHNICAL education district governing board, including
19 the content and quality of the courses offered by the district, the quality
20 of teachers who provide instruction on behalf of the district, the salaries
21 of teachers who provide instruction on behalf of the district and the
22 reimbursement of other entities for the facilities used by the district.
23 Unless the governing boards of the school districts participating in the
24 formation of the joint district vote to implement an alternative election
25 system as provided in subsection B of this section, the joint board shall
26 consist of five members elected from five single member districts formed
27 within the joint district. The single member district election system shall
28 be submitted as part of the plan for the joint district pursuant to section
29 15-392 and shall be established in the plan as follows:

30 1. The governing boards of the school districts participating in the
31 formation of the joint district shall define the boundaries of the single
32 member districts so that the single member districts are as nearly equal in
33 population as is practicable, except that if the joint district lies in part
34 in each of two or more counties, at least one single member district may be
35 entirely within each of the counties comprising the joint district if this
36 district design is consistent with the obligation to equalize the population
37 among single member districts.

38 2. The boundaries of each single member district shall follow election
39 precinct boundary lines, as far as practicable, in order to avoid further
40 segmentation of the precincts.

41 3. A person who is a registered voter of this state and who is a
42 resident of the single member district is eligible for election to the office
43 of joint board member from the single member district. The terms of office
44 of the members of the joint board shall be as prescribed in section 15-427,
45 subsection B. An employee of a joint ~~technological~~ TECHNICAL education

1 district or the spouse of an employee shall not hold membership on a
2 governing board of a joint ~~technological~~ TECHNICAL education district by
3 which the employee is employed. A member of one school district governing
4 board or joint ~~technological~~ TECHNICAL education district governing board is
5 ineligible to be a candidate for nomination or election to or serve
6 simultaneously as a member of any other governing board, except that a member
7 of a governing board may be a candidate for nomination or election for any
8 other governing board if the member is serving in the last year of a term of
9 office. A member of a governing board shall resign the member's seat on the
10 governing board before becoming a candidate for nomination or election to the
11 governing board of any other school district or joint ~~technological~~ TECHNICAL
12 education district, unless the member of the governing board is serving in
13 the last year of a term of office.

14 4. Nominating petitions shall be signed by the number of qualified
15 electors of the single member district as provided in section 16-322.

16 B. The governing boards of the school districts participating in the
17 formation of the joint district may vote to implement any other alternative
18 election system for the election of joint district board members. If an
19 alternative election system is selected, it shall be submitted as part of the
20 plan for the joint district pursuant to section 15-392, and the
21 implementation of the system shall be as approved by the United States
22 justice department.

23 C. The joint ~~technological~~ TECHNICAL education district shall be
24 subject to the following provisions of this title:

- 25 1. Chapter 1, articles 1 through 6.
- 26 2. Sections 15-208, 15-210, 15-213 and 15-234.
- 27 3. Articles 2, 3 and 5 of this chapter.
- 28 4. Section 15-361.
- 29 5. Chapter 4, articles 1, 2 and 5.
- 30 6. Chapter 5, articles 1, 2 and 3.
- 31 7. Sections 15-701.01, 15-722, 15-723, 15-724, 15-727, 15-728, 15-729
32 and 15-730.
- 33 8. Chapter 7, article 5.
- 34 9. Chapter 8, articles 1, 3 and 4.
- 35 10. Sections 15-828 and 15-829.
- 36 11. Chapter 9, article 1, article 6, except for section 15-995, and
37 article 7.
- 38 12. Sections 15-941, 15-943.01, 15-948, 15-952, 15-953 and 15-973.
- 39 13. Sections 15-1101 and 15-1104.
- 40 14. Chapter 10, articles 2, 3, 4 and 8.

41 D. Notwithstanding subsection C of this section, the following apply
42 to a joint ~~technological~~ TECHNICAL education district:

- 43 1. A joint district may issue bonds for the purposes specified in
44 section 15-1021 and in chapter 4, article 5 of this title to an amount in the
45 aggregate, including the existing indebtedness, not exceeding one per cent of

1 the taxable property used for secondary tax purposes, as determined pursuant
2 to title 42, chapter 15, article 1, within the joint ~~technological~~ TECHNICAL
3 education district as ascertained by the last property tax assessment
4 previous to issuing the bonds.

5 2. The number of governing board members for a joint district shall be
6 as prescribed in subsection A of this section.

7 3. If a career and technical education and vocational education course
8 or program provided pursuant to this article is provided in a facility owned
9 or operated by a school district in which a pupil is enrolled, including
10 satellite courses, the sum of the daily attendance, as provided in section
11 15-901, subsection A, paragraph 6, for that pupil in both the school district
12 and joint ~~technological~~ TECHNICAL education district shall not exceed 1.25
13 and the sum of the fractional student enrollment, as provided in section
14 15-901, subsection A, paragraph 2, subdivision (a), shall not exceed 1.25 for
15 the courses taken in the school district and the facility, including
16 satellite courses. The school district and the joint district shall
17 determine the apportionment of the daily attendance and fractional student
18 enrollment for that pupil between the school district and the joint district.

19 4. The student count for the first year of operation of a joint
20 ~~technological~~ TECHNICAL education district as provided in this article shall
21 be determined as follows:

22 (a) Determine the estimated student count for joint district classes
23 that will operate in the first year of operation. This estimate shall be
24 based on actual registration of pupils as of March 30 scheduled to attend
25 classes that will be operated by the joint district. The student count for
26 the district of residence of the pupils registered at the joint district
27 shall be adjusted. The adjustment shall cause the district of residence to
28 reduce the student count for the pupil to reflect the courses to be taken at
29 the joint district. The district of residence shall review and approve the
30 adjustment of its own student count as provided in this subdivision before
31 the pupils from the school district can be added to the student count of the
32 joint district.

33 (b) The student count for the new joint district shall be the student
34 count as determined in subdivision (a) of this paragraph.

35 (c) After the first one hundred days or two hundred days in session,
36 as applicable, for the first year of operation, the joint district shall
37 revise the student count to the actual student count for students attending
38 classes in the joint district. A joint district shall revise its student
39 count, the base support level as provided in section 15-943.02, the revenue
40 control limit as provided in section 15-944.01, the capital outlay revenue
41 limit and the soft capital allocation as provided in section 15-962.01 prior
42 to May 15. A joint district that overestimated its student count shall
43 revise its budget prior to May 15. A joint district that underestimated its
44 student count may revise its budget prior to May 15.

(d) After the first one hundred days or two hundred days in session, as applicable, for the first year of operation, the district of residence shall adjust its student count by reducing it to reflect the courses actually taken at the joint district. The district of residence shall revise its student count, the base support level as provided in section 15-943, the revenue control limit as provided in section 15-944, the capital outlay revenue limit as provided in section 15-961 and the soft capital allocation as provided in section 15-962 prior to May 15. A district that underestimated the student count for students attending the joint district shall revise its budget prior to May 15. A district that overestimated the student count for students attending the joint district may revise its budget prior to May 15.

(e) A joint district for the first year of operation shall not be eligible for adjustment pursuant to section 15-948.

(f) The procedures for implementing this paragraph shall be as prescribed in the uniform system of financial records.

(g) If the district of residence utilizes section 15-942 to determine its student count, the district shall reduce its student count as provided in this paragraph by subtracting the appropriate count from the student count determined as provided in section 15-942.

For the purposes of this paragraph, "district of residence" means the district that included the pupil in its average daily membership for the year before the first year of operation of the joint district and that would have included the pupil in its student count for the purposes of computing its base support level for the fiscal year of the first year of operation of the joint district if the pupil had not enrolled in the joint district.

(h) PUPILS IN AN APPROVED JOINT TECHNICAL EDUCATION DISTRICT CENTRALIZED PROGRAM MAY GENERATE AN AVERAGE DAILY ATTENDANCE OF 1.0 FOR ATTENDANCE HOURS DURING ANY HOUR OF THE DAY, DURING ANY DAY OF THE WEEK AND AT ANY TIME BETWEEN JULY 1 AND JUNE 30 OF EACH FISCAL YEAR.

5. A student includes any person enrolled in the joint district without regard to the person's age or high school graduation status, except that:

(a) A student in a kindergarten program or in grades one through eight who enrolls in courses offered by the joint ~~technological~~ TECHNICAL education district shall not be included in the joint district's average daily attendance or average daily membership.

(b) A student in a kindergarten program or in grades one through eight who is enrolled in vocational education courses shall not be funded in whole or in part with monies provided by a joint ~~technological~~ TECHNICAL education district.

(c) A student who is over twenty-two years of age shall not be included in the student count of the joint district for the purposes of chapter 9, articles 3, 4 and 5 of this title.

1 (d) A student in grade nine who enrolls in a career exploration course
2 shall not be included in the joint district's average daily attendance or
3 average daily membership.

4 6. A joint district may operate for more than one hundred seventy-five
5 days per year, with expanded hours of service.

6 7. A joint district may use the excess utility costs provisions of
7 section 15-910 in the same manner as a school district for fiscal years
8 1999-2000 and 2000-2001, except that the base year shall be the first full
9 fiscal year of operations.

10 8. A joint district may use the carryforward provisions of section
11 15-943.01 retroactively to July 1, 1993.

12 9. A school district that is part of a joint district shall use any
13 monies received pursuant to this article to supplement and not supplant base
14 year career and technical education and vocational education courses, and
15 directly related equipment and facilities, except that a school district that
16 is part of a joint ~~technological~~ TECHNICAL education district and that has
17 used monies received pursuant to this article to supplant career and
18 technological education and vocational education courses that were offered
19 before the first year that the school district participated in the joint
20 district or the first year that the school district used monies received
21 pursuant to this article or that used the monies for purposes other than for
22 career and technological education and vocational education courses shall:

23 ~~(a) Use at least thirty three per cent of the monies received pursuant~~
24 ~~to this article in fiscal year 2005-2006 to supplement and not supplant base~~
25 ~~year career and technical education and vocational education courses.~~

26 ~~(b) Use at least sixty six per cent of the monies received pursuant to~~
27 ~~this article in fiscal year 2006-2007 to supplement and not supplant base~~
28 ~~year career and technical education and vocational education courses.~~

29 ~~(c) use one hundred per cent of the monies received pursuant to this~~
30 ~~article in fiscal year 2007-2008 and each fiscal year thereafter to~~
31 ~~supplement and not supplant base year career and technical education and~~
32 ~~vocational education courses.~~

33 10. A joint ~~technological~~ TECHNICAL education district shall use any
34 monies received pursuant to this article to enhance and not supplant career
35 and technical education and vocational education courses and directly related
36 equipment and facilities.

37 11. A joint ~~technological~~ TECHNICAL education district or a school
38 district that is part of a joint district shall only include pupils in grades
39 nine through twelve in the calculation of average daily membership or average
40 daily attendance if the pupils are enrolled in courses that are approved
41 jointly by the governing board of the joint ~~technological~~ TECHNICAL education
42 district and each participating school district for satellite courses taught
43 within the participating school district, or approved solely by the joint
44 ~~technological~~ TECHNICAL education district for centrally located
45 courses. Average daily membership and average daily attendance from courses

1 that are not part of an approved program for career and technical education
2 shall not be included in average daily membership and average daily
3 attendance of a joint ~~technological~~ TECHNICAL education district. A student
4 in grade nine who enrolls in a career exploration course shall not be
5 included in the joint district's average daily attendance or average daily
6 membership.

7 E. The joint board shall appoint a superintendent as the executive
8 officer of the joint district.

9 F. Taxes may be levied for the support of the joint district as
10 prescribed in chapter 9, article 6 of this title, except that a joint
11 ~~technological~~ TECHNICAL education district shall not levy a property tax
12 pursuant to law that exceeds five cents per one hundred dollars assessed
13 valuation except for bond monies pursuant to subsection D, paragraph 1 of
14 this section. Except for the taxes levied pursuant to section 15-994, such
15 taxes shall be obtained from a levy of taxes on the taxable property used for
16 secondary tax purposes.

17 G. The schools in the joint district are available to all persons who
18 reside in the joint district subject to the rules for admission prescribed by
19 the joint board.

20 H. The joint board may collect tuition for adult students and the
21 attendance of pupils who are residents of school districts that are not
22 participating in the joint district pursuant to arrangements made between the
23 governing board of the district and the joint board.

24 I. The joint board may accept gifts, grants, federal monies, tuition
25 and other allocations of monies to erect, repair and equip buildings and for
26 the cost of operation of the schools of the joint district.

27 J. One member of the joint board shall be selected chairman. The
28 chairman shall be selected annually on a rotation basis from among the
29 participating school districts. The chairman of the joint board shall be a
30 voting member.

31 K. A joint board and a community college district may enter into
32 agreements for the provision of administrative, operational and educational
33 services and facilities.

34 L. Any agreement between the governing board of a joint ~~technological~~
35 TECHNICAL education district and another joint ~~technological~~ TECHNICAL
36 education district, a school district, a charter school or a community
37 college district shall be in the form of an intergovernmental agreement or
38 other written contract. The auditor general shall modify the uniform system
39 of financial records and budget forms in accordance with this subsection.
40 The intergovernmental agreement or other written contract shall completely
41 and accurately specify each of the following:

42 1. The financial provisions of the intergovernmental agreement or
43 other written contract and the format for the billing of all services.

44 2. The accountability provisions of the intergovernmental agreement or
45 other written contract.

1 3. The responsibilities of each joint ~~technological~~ TECHNICAL
2 education district, each school district, each charter school and each
3 community college district that is a party to the intergovernmental agreement
4 or other written contract.

5 4. The type of instruction that will be provided under the
6 intergovernmental agreement or other written contract, INCLUDING
7 INDIVIDUALIZED EDUCATION PROGRAMS PURSUANT TO SECTION 15-763.

8 5. The quality of the instruction that will be provided under the
9 intergovernmental agreement or other written contract.

10 6. The transportation services that will be provided under the
11 intergovernmental agreement or other written contract and the manner in which
12 transportation costs will be paid.

13 7. The amount that the joint ~~technological~~ TECHNICAL education
14 district will contribute to a course and the amount of support required by
15 the school district or the community college.

16 8. That the services provided by the joint ~~technological~~ TECHNICAL
17 education district, the school district, the charter school or the community
18 college district be proportionally calculated in the cost of delivering the
19 service.

20 9. That the payment for services shall not exceed the cost of the
21 services provided.

22 10. That any initial intergovernmental agreement or other written
23 contract and any addendums between the governing board of a joint
24 ~~technological~~ TECHNICAL education district and another joint ~~technological~~
25 TECHNICAL education district, a school district, a charter school or a
26 community college district be submitted by the joint ~~technological~~ TECHNICAL
27 education district to the joint legislative budget committee for review.

28 M. On or before December 31 of each year, each joint ~~technological~~
29 TECHNICAL education district shall submit a detailed report to the career and
30 technical education division of the department of education. The career and
31 technical education division of the department of education shall collect,
32 summarize and analyze the data submitted by the joint districts, shall submit
33 an annual report that summarizes the data submitted by the joint districts to
34 the governor, the speaker of the house of representatives, the president of
35 the senate and the state board of education and shall submit a copy of this
36 report to the secretary of state ~~and the director of the Arizona state~~
37 ~~library, archives and public records~~. The data submitted by each joint
38 ~~technological~~ TECHNICAL education district shall include the following:

39 1. The average daily membership of the joint district.

40 2. The ~~course~~ PROGRAM listings and ~~course~~ PROGRAM descriptions of
41 ~~courses~~ PROGRAMS offered by the joint district, INCLUDING THE COURSE
42 SEQUENCES FOR EACH PROGRAM.

43 3. The costs associated with each ~~course~~ PROGRAM offered by the joint
44 district.

1 4. The completion rate for each ~~course~~ PROGRAM offered by the joint
2 district. FOR THE PURPOSES OF THIS PARAGRAPH, "COMPLETION RATE" MEANS THE
3 COMPLETION RATE FOR STUDENTS WHO ARE DESIGNATED AS CONCENTRATORS IN THAT
4 PROGRAM BY THE DEPARTMENT OF EDUCATION UNDER THE CAREER AND TECHNOLOGY
5 APPROVED PLAN.

6 5. The graduation rate FROM THE SCHOOL DISTRICT OF RESIDENCE of
7 students ~~enrolled~~ WHO HAVE COMPLETED A PROGRAM in the joint district.

8 6. A detailed description of the career opportunities available to
9 students after completion of the program offered by the joint district.

10 7. A detailed description of the career placement of students who have
11 completed the program offered by the joint district.

12 8. Any other data deemed necessary by the department of education to
13 carry out its duties under this subsection.

14 N. If the career and technical education division of the department of
15 education determines that a course does not meet the criteria for approval as
16 a joint technical education course, the governing board of the joint
17 ~~technological~~ TECHNICAL education district may appeal this decision to the
18 state board of education acting as the state board of vocational education.

19 O. Notwithstanding any other law, the average daily membership of a
20 pupil who is enrolled in a course that meets for at least one hundred fifty
21 minutes per class period at a centralized campus owned and operated by a
22 joint ~~technological~~ TECHNICAL education district shall be 0.75. THE SUM OF
23 DAILY ATTENDANCE, AS PROVIDED IN SECTION 15-901, SUBSECTION A, PARAGRAPH 6
24 AND THE SUM OF THE FRACTIONAL STUDENT ENROLLMENT, AS PROVIDED IN SECTION
25 15-901, SUBSECTION A, PARAGRAPH 2, SUBDIVISION (a), FOR THAT PUPIL IN BOTH
26 THE MEMBER SCHOOL DISTRICT AND JOINT TECHNICAL EDUCATION DISTRICT COURSES
27 PROVIDED AT A COMMUNITY COLLEGE PURSUANT TO SUBSECTION K OF THIS SECTION OR
28 AT A FACILITY OWNED AND OPERATED BY A JOINT TECHNICAL EDUCATION DISTRICT THAT
29 IS NOT LOCATED ON A SITE OF A MEMBER DISTRICT SHALL NOT EXCEED 1.75. THE
30 MEMBER SCHOOL DISTRICT AND THE JOINT DISTRICT SHALL DETERMINE THE
31 APPORTIONMENT OF THE DAILY ATTENDANCE AND STUDENT ENROLLMENT FOR THAT PUPIL
32 BETWEEN THE MEMBER SCHOOL DISTRICT AND THE JOINT DISTRICT, EXCEPT THE AMOUNT
33 APPORTIONED SHALL NOT EXCEED 1.0 FOR EITHER ENTITY.

34 P. For the purposes of this section, "base year" means the complete
35 school year in which voters of a school district elected to join a joint
36 ~~technological~~ TECHNICAL education district.

37 Sec. 7. Section 15-394, Arizona Revised Statutes, is amended to read:
38 15-394. Preservation of years of employment

39 The years of employment of a certificated teacher who has been employed
40 by a school district for more than the major portion of three consecutive
41 school years shall be preserved if such teacher moves from a school district
42 to a joint ~~technological~~ TECHNICAL education district or from a joint
43 ~~technological~~ TECHNICAL education district to a school district if the
44 governing board recognizes the previously established years of employment of

1 the teacher, provided such districts are participating in the joint
2 ~~technological~~ TECHNICAL education district.

3 Sec. 8. Section 15-491, Arizona Revised Statutes, is amended to read:

4 15-491. Elections on school property; exceptions

5 A. The governing board of a school district may, and ~~upon~~ ON petition
6 of fifteen per cent of the school electors as shown by the poll list at the
7 last preceding annual school election shall, call an election for the
8 following purposes:

9 1. To locate or change the location of school buildings.

10 2. To purchase or sell school sites or buildings or sell school sites
11 pursuant to section 15-342 or to build school buildings, but the
12 authorization by vote of the school district shall not necessarily specify
13 the site to be purchased.

14 3. To decide whether the bonds of the school district shall be issued
15 and sold for the purpose of raising money for purchasing or leasing school
16 lots, for building or renovating school buildings, for supplying school
17 buildings with furniture, equipment and technology, for improving school
18 grounds, for purchasing pupil transportation vehicles or for liquidating any
19 indebtedness already incurred for such purposes. Bonds issued for furniture,
20 equipment and technology, other than fixtures, shall mature no later than the
21 July 1 that follows the fifth year after the bonds were issued. A school
22 district shall not issue class B bonds until the school district has
23 obligated in contract the entire proceeds of any class A bonds issued by the
24 school district. The total amount of class A and class B bonds issued by a
25 school district shall not exceed the debt limitations prescribed in article
26 IX, sections 8 and 8.1, Constitution of Arizona.

27 4. To lease for five or more years, as lessor or as lessee, school
28 buildings or grounds. Approval by a majority of the school district electors
29 voting authorizes the governing board to negotiate for and enter into a
30 lease. The ballot shall list the school buildings or grounds for which a
31 lease is sought. If the governing board does not enter into a lease of five
32 or more years of the school buildings or grounds listed on the ballot within
33 five years of the date of the election and the board continues to seek such a
34 lease, the governing board shall call a special election to reauthorize the
35 board to negotiate for and to enter into a lease of five or more years.

36 B. No petition shall be required for the holding of the first election
37 to be held in a joint common school district for any of the purposes
38 specified in subsection A of this section. The notice of election required
39 by section 15-492 shall be published in each of the counties ~~which~~ THAT
40 comprise the joint common school district. The certification of election
41 results required by section 15-493 shall be made to the board of supervisors
42 of the jurisdictional county.

1 C. When the election is called to determine whether or not bonds of
2 the school district shall be issued and sold for the purposes enumerated in
3 the call for the election, the question shall be submitted to the vote of the
4 qualified electors of the school district as defined in section 15-401 and
5 subject to section 15-402.

6 D. The governing board shall order the election to be held in the
7 manner prescribed in title 35, chapter 3, article 3. If a petition for an
8 election has been filed with the governing board as provided in subsection A
9 of this section, the board shall act ~~upon~~ ON the petition within sixty days
10 by ordering the election to be held as provided in this subsection. If a
11 school district bond election is scheduled for the same date a school
12 district will hold an override election, the governing body shall deliver a
13 copy of the notice of election and ballot to the county school superintendent
14 who shall include the notice of election and ballot with the information
15 report and ballot prepared for the override election. Mailing of the
16 information required for both the override and bond elections shall
17 constitute compliance with the notice provisions of this section.

18 E. The elections to be held pursuant to this section shall only be
19 held on dates prescribed by section 16-204, except that elections held
20 pursuant to this section to decide whether class B bonds shall be issued, or
21 any other obligation incurred that will require the assessment of secondary
22 property taxes, shall only be held on the first Tuesday after the first
23 Monday of November.

24 F. Subsection A, paragraph 2 of this section does not apply to the
25 sale of school property if the market value of the school property is less
26 than fifty thousand dollars.

27 G. Bond counsel fees, financial advisory fees, printing costs and
28 paying agent and registrar fees for bonds issued pursuant to an election
29 under this section shall be paid from either the amount authorized by the
30 qualified electors of the school district or current operating funds. Bond
31 election expenses shall be paid from current operating funds only.

32 H. For any election conducted to decide whether class B bonds will be
33 issued pursuant to this section:

34 1. Except as provided in paragraph 2 of this subsection, the ballot
35 shall include the following statement:

36 The capital improvements that are proposed to be funded
37 through this bond issuance are to exceed the state standards and
38 are in addition to monies provided by the state.

39 _____ school district is proposing to issue class B
40 general obligation bonds totaling \$_____ to fund capital
41 improvements over and above those funded by the state. Under
42 the students first capital funding system, _____ school
43 district is entitled to state monies for building renewal, new
44 construction and renovation of school buildings in accordance
45 with state law.

1 2. For a school district that is a joint ~~technological~~ TECHNICAL
2 education district, the ballot shall include the following statement:

3 _____, a joint ~~technological~~ TECHNICAL education
4 district, is proposing to issue class B general obligation bonds
5 totaling \$_____ to fund capital improvements at a campus
6 owned or operated and maintained by the joint ~~technological~~
7 TECHNICAL education district.

8 3. The ballot shall contain the words "bond approval, yes" and "bond
9 approval, no", and the voter shall signify the voter's desired choice.

10 4. The ballot shall also contain the phrase "the issuance of these
11 bonds will result in an annual levy of property taxes sufficient to pay the
12 debt on the bonds".

13 5. At least eighty-five days before the election, the school district
14 shall submit proposed ballot language to the director of the Arizona
15 legislative council. The director of the Arizona legislative council shall
16 review the proposed ballot language to determine whether the proposed ballot
17 language complies with this section. If the director of the Arizona
18 legislative council determines that the proposed ballot language does not
19 comply with this section, the director, within ten calendar days of the
20 receipt of the proposed ballot language, shall notify the school district of
21 the director's objections and the school district shall resubmit revised
22 ballot language to the director for approval.

23 6. No later than thirty-five days before a class B bond election
24 conducted pursuant to this section, the school district shall mail a
25 publicity pamphlet to each household that contains a qualified elector in the
26 school district. The publicity pamphlet shall contain, at a minimum, the
27 following information:

28 (a) An executive summary of the school district's most recent capital
29 plan submitted to the school facilities board.

30 (b) A complete list of each proposed capital improvement that will be
31 funded with the proceeds of the bonds and a description of the proposed cost
32 of each improvement, including a separate aggregation of capital improvements
33 for administrative purposes as defined by the school facilities board.

34 (c) The tax rate associated with each of the proposed capital
35 improvements and the estimated cost of each capital improvement for the owner
36 of a single family home that is valued at one hundred thousand dollars.

37 I. For any election conducted to decide whether impact aid revenue
38 bonds shall be issued pursuant to this section:

39 1. The ballot shall include the following statement:

40 The capital improvements that are proposed to be funded
41 through this bond issuance are to exceed the state standards and
42 are in addition to monies provided by the state.

43 _____ school district is proposing to issue impact
44 aid revenue bonds totaling \$_____ to fund capital
45 improvements over and above those funded by the state. Under

1 the students first capital funding system, _____ school
2 district is entitled to state monies for building renewal, new
3 construction and renovation of school buildings in accordance
4 with state law.

5 2. The ballot shall contain the words "bond approval, yes" and "bond
6 approval, no", and the voter shall signify the voter's desired choice.

7 3. At least eighty-five days before the election, the school district
8 shall submit proposed ballot language to the director of the legislative
9 council. The director of the legislative council shall review the proposed
10 ballot language to determine whether the proposed ballot language complies
11 with this section. If the director of the legislative council determines
12 that the proposed ballot language does not comply with this section, the
13 director, within ten calendar days of the receipt of the proposed ballot
14 language, shall notify the school district of the director's objections and
15 the school district shall resubmit revised ballot language to the director
16 for approval.

17 4. No later than thirty-five days before an impact aid revenue bond
18 election conducted pursuant to this section, the school district shall mail a
19 publicity pamphlet to each household that contains a qualified elector in the
20 school district. The publicity pamphlet shall contain, at a minimum, the
21 following information:

22 (a) The date of the election.

23 (b) The voter's polling place and the times it is open.

24 (c) An executive summary of the school district's most recent capital
25 plan submitted to the school facilities board.

26 (d) A complete list of each proposed capital improvement that will be
27 funded with the proceeds of the bonds and a description of the proposed cost
28 of each improvement, including a separate aggregation of capital improvements
29 for administrative purposes as defined by the school facilities board.

30 (e) A statement that impact aid revenue bonds will be fully funded by
31 aid that the school district receives from the federal government and do not
32 require a levy of taxes in the district.

33 (f) A statement that if the bonds are approved, the first priority for
34 the impact aid will be to pay the debt service for the bonds and that other
35 uses of the monies are prohibited until the debt service obligation is met.

36 (g) A statement that if the impact aid revenue bonds are approved, the
37 school district shall not issue or sell class B bonds while the district has
38 existing indebtedness from impact aid revenue bonds, except for bonds issued
39 to refund any bonds issued by the board.

40 J. If the voters approve the issuance of school district class B bonds
41 or impact aid revenue bonds, the school district shall not use the bond
42 proceeds for any purposes other than the proposed capital improvements listed
43 in the publicity pamphlet, except that up to ten per cent of the bond
44 proceeds may be used for general capital expenses, including cost overruns of
45 proposed capital improvements.

1 K. Each school district that issues bonds under this section is
2 required to hold a public meeting each year between September 1 and October
3 31, until the bond proceeds are spent, at which an update of the progress of
4 capital improvements financed through bonding is discussed and at which the
5 public is permitted an opportunity to comment. At a minimum, the update
6 shall include a comparison of the current status and the original projections
7 on the construction of capital improvements, the costs of capital
8 improvements and the costs of capital improvements in progress or completed
9 since the prior meeting and the future capital bonding plans of the school
10 district. The school district shall include in the public meeting a
11 discussion of the school district's use of state capital aid and
12 voter-approved capital overrides in funding capital improvements, if any.

13 Sec. 9. Section 15-782.02, Arizona Revised Statutes, is amended to
14 read:

15 15-782.02. Career and technical education and vocational
16 education programs; expanded hours; tuition

17 A. School districts with career and technical education and vocational
18 education programs may offer vocational educational services without regard
19 to students' age or high school graduation status. Persons over twenty-two
20 years of age shall not attend vocational programs in high school buildings
21 during regular school hours. The department of education shall distribute
22 twenty-six dollars for every day that a full-time student attends an extended
23 year or summer school program in a joint ~~technological~~ TECHNICAL education
24 district and thirteen dollars for every day that a part-time student attends
25 an extended year or summer school program in a joint ~~technological~~ TECHNICAL
26 education district, subject to appropriation except that the department of
27 education shall not distribute monies pursuant to this section for any
28 student who has either graduated from high school or obtained a general
29 education diploma or who has reached twenty-two years of age, whichever
30 occurs first.

31 B. School districts with career and technical education and vocational
32 education programs may operate those programs for more than one hundred
33 seventy-five days per year, with expanded hours of service.

34 C. Career and technical education and vocational education programs
35 run by school districts may charge tuition to offset expenses associated with
36 serving adult students.

37 Sec. 10. Section 15-790, Arizona Revised Statutes, is amended to read:

38 15-790. Primary responsibility of school districts, community
39 college districts and universities

40 A. School district governing boards have the primary responsibility
41 for providing career exploration and entry level career and technical
42 education and vocational education.

1 B. JOINT TECHNICAL EDUCATION DISTRICTS HAVE THE PRIMARY RESPONSIBILITY
2 FOR PROVIDING CAREER AND TECHNICAL EDUCATION PREPARATION PROGRAMS DESIGNED TO
3 PREPARE STUDENTS FOR ADVANCED CAREER AND TECHNICAL EDUCATION OR ENTRY INTO
4 THE WORKFORCE.

5 ~~B-~~ C. Community college district governing boards have the primary
6 responsibility for providing postsecondary technological education and
7 advanced career and technical education and vocational education, including
8 the retraining and upgrading of a student's occupational skills. Community
9 college district governing boards in conjunction with the state board for
10 private postsecondary education have the major responsibility for providing
11 career and technical education and vocational education ~~which~~ THAT focuses on
12 the economic development of this state.

13 ~~C-~~ D. Universities have the primary responsibility for research
14 related to career and technical education and vocational education.

15 Sec. 11. Section 15-808, Arizona Revised Statutes, is amended to read:

16 15-808. Arizona online instruction; reports; definitions

17 A. Arizona online instruction shall be instituted to meet the needs of
18 pupils in the information age. The state board of education shall select
19 traditional public schools and the state board for charter schools shall
20 sponsor charter schools to be online course providers or online schools. The
21 state board of education and the state board for charter schools shall
22 jointly develop standards for the approval of online course providers and
23 online schools based on the following criteria:

24 1. The depth and breadth of curriculum choices.

25 2. The variety of educational methodologies employed by the school and
26 the means of addressing the unique needs and learning styles of targeted
27 pupil populations, including computer assisted learning systems, virtual
28 classrooms, virtual laboratories, electronic field trips, electronic mail,
29 virtual tutoring, online help desk, group chat sessions and noncomputer based
30 activities performed under the direction of a certificated teacher.

31 3. The availability of an intranet or private network to safeguard
32 pupils against predatory and pornographic elements of the internet.

33 4. The availability of filtered research access to the internet.

34 5. The availability of private individual electronic mail between
35 pupils, teachers, administrators and parents in order to protect the
36 confidentiality of pupil records and information.

37 6. The availability of faculty members who are experienced with
38 computer networks, the internet and computer animation.

39 7. The extent to which the school intends to develop partnerships with
40 universities, community colleges and private businesses.

41 8. The services offered to developmentally disabled populations.

42 9. The grade levels that will be served.

1 B. Each new school that provides online instruction shall provide
2 online instruction on a probationary status. After a new school that
3 provides online instruction has clearly demonstrated the academic integrity
4 of its instruction through the actual improvement of the academic performance
5 of its students, the school may apply to be removed from probationary status.
6 The state board of education or the state board for charter schools shall
7 remove from Arizona online instruction any probationary school that fails to
8 clearly demonstrate improvement in academic performance within three years
9 measured against goals in the approved application and the state's
10 accountability system. The state board of education and the state board for
11 charter schools shall review the effectiveness of each participating school
12 and other information that is contained in the annual report prescribed in
13 subsection G- D of this section. All pupils who participate in Arizona
14 online instruction shall reside in this state. Pupils who participate in
15 Arizona online instruction are subject to the testing requirements prescribed
16 in chapter 7, article 3 of this title. Upon enrollment, the school shall
17 notify the parents or guardians of the pupil of the state testing
18 requirements. If a pupil fails to comply with the testing requirements and
19 the school administers the tests pursuant to this subsection to less than
20 ninety-five per cent of the pupils in Arizona online instruction, the pupil
21 shall not be allowed to participate in Arizona online instruction.

22 C. Beginning July 1, 2010, the state board of education and the state
23 board for charter schools shall develop annual reporting mechanisms for
24 schools that participate in Arizona online instruction.

25 D. The department of education shall compile the information submitted
26 in the annual reports by schools participating in the Arizona online
27 instruction. The department of education shall submit the compiled report to
28 the governor, the speaker of the house of representatives and the president
29 of the senate by November 15 of each year.

30 E. Each school selected for Arizona online instruction shall ensure
31 that a daily log is maintained for each pupil who participates in Arizona
32 online instruction. The daily log shall describe the amount of time spent by
33 each pupil participating in Arizona online instruction pursuant to this
34 section on academic tasks. The daily log shall be used by the school
35 district or charter school to qualify the pupils who participate in Arizona
36 online instruction in the school's average daily attendance calculations
37 pursuant to section 15-901.

38 F. If a pupil is enrolled in a school district or charter school and
39 also participates in Arizona online instruction, the sum of the average daily
40 membership, which includes enrollment as prescribed in section 15-901,
41 subsection A, paragraph 2, subdivisions (a) and (b) and daily attendance as
42 prescribed in section 15-901, subsection A, paragraph 6, for that pupil in
43 the school district or charter school and in Arizona online instruction shall
44 not exceed 1.0. If the pupil is enrolled in a school district or a charter
45 school and also participates in Arizona online instruction and the sum of the

1 daily membership or daily attendance for that pupil is greater than 1.0, the
2 sum shall be reduced to 1.0 and shall be apportioned between the school
3 district, UNLESS THE SCHOOL DISTRICT IS A JOINT TECHNICAL EDUCATION DISTRICT
4 SUBJECT TO THE APPORTIONMENT REQUIREMENTS OF SECTION 15-393, or charter
5 school and Arizona online instruction based on the percentage of total time
6 that the pupil is enrolled or in attendance in the school district or charter
7 school and Arizona online instruction. The uniform system of financial
8 records shall include guidelines for the apportionment of the pupil
9 enrollment and attendance as provided in this subsection. Pupils in Arizona
10 online instruction do not incur absences for purposes of section 15-901 and
11 may generate an average daily attendance of 1.0 for attendance hours during
12 any hour of the day, during any day of the week and at any time between July
13 1 and June 30 of each fiscal year. For kindergarten programs and grades one
14 through eight, average daily membership shall be calculated by dividing the
15 instructional hours as reported in the daily log required in subsection E of
16 this section by the applicable hourly requirements prescribed in section
17 15-901. For grades nine through twelve, average daily membership shall be
18 calculated by dividing the instructional hours as reported in the daily log
19 required in subsection E of this section by nine hundred. The average daily
20 membership of a pupil who participates in online instruction shall not exceed
21 1.0. Average daily membership shall not be calculated on the one hundredth
22 day of instruction for the purposes of this section. Funding shall be
23 determined as follows:

24 1. ~~Pupils~~ A PUPIL who are IS enrolled full-time in Arizona online
25 instruction shall be funded for online instruction at ninety-five per cent of
26 the base support level that would be calculated for that pupil if that pupil
27 were enrolled as a full-time student in a school district or charter school
28 that does not participate in Arizona online instruction. Additional
29 assistance, capital outlay revenue limit and soft capital allocation limit
30 shall be calculated in the same manner they would be calculated if the
31 student were enrolled in a district or charter school that does not
32 participate in Arizona online instruction. A pupil enrolled in Arizona
33 online instruction shall be considered full-time if the pupil's average
34 instructional hours, as reported in the daily log required in subsection E of
35 this section, exceed one hundred nineteen minutes for kindergarten programs,
36 two hundred thirty-eight minutes for grades one through three, two hundred
37 ninety-seven minutes for grades four through six, three hundred fifty-six
38 minutes for grades seven and eight and three hundred minutes for grades nine
39 through twelve.

40 2. ~~Pupils~~ A PUPIL who are IS enrolled part-time in Arizona online
41 instruction shall be funded for online instruction at eighty-five per cent of
42 the base support level that would be calculated for that pupil if that pupil
43 were enrolled as a part-time student in a school district or charter school
44 that does not participate in Arizona online instruction. Additional
45 assistance, capital outlay revenue limit and soft capital allocation limit

shall be calculated in the same manner they would be calculated if the student were enrolled in a district or charter school that does not participate in Arizona online instruction. A pupil enrolled in Arizona online instruction shall be considered part-time if the pupil's average instructional hours, as reported in the daily log required in subsection E of this section, are less than the hours required for a full-time pupil pursuant to paragraph 1 of this subsection.

G. If the academic achievement of a pupil declines while the pupil is participating in Arizona online instruction, the pupil's parents, the pupil's teachers and the principal or head teacher of the school shall confer to evaluate whether the pupil should be allowed to continue to participate in Arizona online instruction.

H. To ensure the academic integrity of pupils who participate in online instruction, Arizona online instruction shall include multiple diverse assessment measures and the proctored administration of required state standardized tests.

I. For the purposes of this section:

1. "Online course provider" means a school other than an online school that is selected by the state board of education or the state board for charter schools to participate in Arizona online instruction pursuant to this section and that provides at least one online academic course that is approved by the state board of education.

2. "Online school" means a school that provides at least four online academic courses or one or more online courses for the equivalent of at least five hours each day for one hundred eighty school days and that is a charter school that is sponsored by the state board for charter schools or a traditional public school that is selected by the state board of education to participate in Arizona online instruction.

Sec. 12. Section 15-943.02, Arizona Revised Statutes, is amended to read:

15-943.02. Base support level for joint technical education districts

A. The base SUPPORT level for each joint ~~vocational~~ and technical education district shall be computed as follows:

Grade/ Category	Support Level Weight	Student Count	Weighted Student Count
9-12	1.339	X	=

B. Multiply the total determined in subsection A by the base SUPPORT level.

C. Multiply the teacher experience index of the district or 1.00, whichever is greater, by the product obtained in subsection B.

1 Sec. 13. Section 15-947.01, Arizona Revised Statutes, is amended to
2 read:

3 15-947.01. Revenue control limit; general budget limit; total
4 capital budget limit for joint technical education
5 districts

6 A. The revenue control limit for a joint ~~technological~~ TECHNICAL
7 education district is equal to the base support level determined in section
8 15-943.02 and the amount determined in section 15-910.04.

9 B. The general budget limit for each joint ~~technological~~ TECHNICAL
10 education district, for each fiscal year, is the sum of the following:

11 1. The revenue control limit for the budget year.

12 2. The capital outlay revenue limit for the budget year.

13 3. Tuition revenues for attendance of nonresident pupils.

14 4. Title VIII of the elementary and secondary education act of 1965
15 assistance determined for children with disabilities, children with specific
16 learning disabilities and children residing on Indian lands as provided in
17 section 15-905, subsections K and O.

18 5. Expenditures for excess utility costs as provided in section
19 15-910.

20 C. The unrestricted capital budget limit for each joint ~~technological~~
21 TECHNICAL education district for the budget year is as provided in section
22 15-947, subsection D.

23 D. The soft capital allocation limit for each joint ~~technological~~
24 TECHNICAL education district for the budget year is as provided in section
25 15-947, subsection E.

26 Sec. 14. Section 15-962.01, Arizona Revised Statutes, is amended to
27 read:

28 15-962.01. Capital outlay revenue limit and soft capital
29 allocation for joint technical education
30 districts; district soft capital allocation fund

31 A. The capital outlay revenue limit for a joint ~~technological~~
32 TECHNICAL education district shall be the amount for students in grades nine
33 through twelve for districts with a student count of six hundred or more as
34 prescribed in section 15-961.

35 B. The soft capital allocation for a joint ~~technological~~ TECHNICAL
36 education district shall be the amount for students in grades nine through
37 twelve for districts with a student count of six hundred or more as
38 prescribed in section 15-962.

39 C. Joint ~~technological~~ TECHNICAL education districts shall establish a
40 district soft capital allocation fund and shall use the monies only for the
41 purposes prescribed in section 15-962, subsection D. The ending unexpended
42 budget balance in the district's soft capital allocation fund may be used in
43 following fiscal years for short-term capital items. Districts shall provide
44 to the superintendent of public instruction an itemized accounting on forms
45 provided by the department of education that details the expenditures of soft

1 capital allocation monies at each school in the joint ~~technological~~ TECHNICAL
2 education district. The superintendent of public instruction shall forward a
3 copy of the report to the school facilities board established by section
4 15-2001.

5 Sec. 15. Section 15-971, Arizona Revised Statutes, is amended to read:
6 15-971. Determination of equalization assistance payments from
7 county and state funds for school districts

8 A. Equalization assistance for education is computed by determining
9 the total of the following:

10 1. The lesser of a school district's revenue control limit or district
11 support level as determined in section 15-947 or 15-951.

12 2. The capital outlay revenue limit of a school district as determined
13 in section 15-951 or 15-961.

14 3. The soft capital allocation of a school district as determined in
15 section 15-951 or 15-962.

16 B. From the total of the amounts determined in subsection A of this
17 section subtract:

18 1. The amount that would be produced by levying the applicable
19 qualifying tax rate determined pursuant to section 41-1276 for a high school
20 district or a common school district within a high school district ~~which~~ THAT
21 does not offer instruction in high school subjects as provided in section
22 15-447.

23 2. The amount that would be produced by levying the applicable
24 qualifying tax rate determined pursuant to section 41-1276 for a unified
25 school district, a common school district not within a high school district
26 or a common school district within a high school district ~~which~~ THAT offers
27 instruction in high school subjects as provided in section 15-447. The
28 qualifying tax rate shall be applied in the following manner:

29 (a) For the purposes of the amount determined in subsection A,
30 paragraph 1 of this section:

31 (i) Determine separately the percentage that the weighted student
32 count in preschool programs for children with disabilities, kindergarten
33 programs and grades one through eight and the weighted student count in
34 grades nine through twelve is to the weighted student count determined in
35 subtotal A as provided in section 15-943, paragraph 2, subdivision (a).

36 (ii) Apply the percentages determined in item (i) to the amount
37 determined in subsection A, paragraph 1 of this section.

38 (b) For the purposes of the amounts determined in subsection A,
39 paragraphs 2 and 3 of this section, determine separately the amount of the
40 capital outlay revenue limit and the amount of the soft capital allocation
41 attributable to the student count in preschool programs for children with
42 disabilities, kindergarten programs and grades one through eight and grades
43 nine through twelve.

44 (c) From the amounts determined in subdivisions (a) and (b), subtract
45 the levy ~~which~~ THAT would be produced by the current qualifying tax rate for

1 a high school district or a common school district within a high school
2 district that does not offer instruction in high school subjects as provided
3 in section 15-447. If the qualifying tax rate generates a levy which THAT is
4 in excess of the total determined in subsection A of this section, the school
5 district shall not be eligible for equalization assistance. For the
6 purposes of this subsection, "assessed valuation" includes the values used to
7 determine voluntary contributions collected pursuant to title 9, chapter 4,
8 article 3 and title 48, chapter 1, article 8 and the assessed value of all
9 property subject to the government property lease excise tax pursuant to
10 title 42, chapter 6, article 5.

11 3. The amount that would be produced by levying a qualifying tax rate
12 in a joint ~~vocational and technological~~ TECHNICAL education district, which
13 shall be five cents per one hundred dollars assessed valuation unless the
14 legislature sets a lower rate by law.

15 C. County aid for equalization assistance for education shall be
16 computed as follows:

17 1. Determine the total equalization assistance for all school
18 districts in the county as provided in subsections A and B of this section.

19 2. Determine the total amount of state equalization assistance
20 collected for all school districts in the county as provided in section
21 15-994.

22 3. Divide the amount determined in paragraph 2 of this subsection by
23 the amount determined in paragraph 1 of this subsection.

24 4. Multiply the amount determined in subsections A and B of this
25 section by the quotient determined in paragraph 3 of this subsection for each
26 school district.

27 5. The amount determined in paragraph 4 of this subsection shall be
28 the county aid for equalization assistance for education for a school
29 district.

30 D. State aid for equalization assistance for education for a school
31 district shall be computed as follows:

32 1. Determine the equalization assistance for education for a school
33 district as provided in subsections A and B of this section.

34 2. For each county, determine the levy that would be produced by the
35 state equalization assistance property tax rate prescribed in section 15-994,
36 subsection A.

37 3. Prorate the amount determined in paragraph 2 of this subsection to
38 each school district in the county as prescribed by subsection C of this
39 section.

40 4. Subtract the amount determined in paragraph 3 of this subsection
41 from the amount determined in paragraph 1 of this subsection.

42 E. Equalization assistance for education shall be paid from
43 appropriations for that purpose to the school districts as provided in
44 section 15-973.

1 F. A school district shall report expenditures on approved career and
2 technical education and vocational education programs in the annual financial
3 report according to uniform guidelines prescribed by the uniform system of
4 financial records and in order to facilitate compliance with sections 15-255
5 and 15-904.

6 G. The additional weight for state aid purposes given to special
7 education as provided in section 15-943 shall be given to school districts
8 only if special education programs comply with chapter 7, article 4 of this
9 title and the conditions and standards prescribed by the superintendent of
10 public instruction pursuant to rules of the state board of education for
11 pupil identification and placement pursuant to sections 15-766 and 15-767.

12 H. In addition to general fund appropriations, all amounts received
13 pursuant to section 37-521, subsection B, paragraph 3 and section 42-5029,
14 subsection E, paragraph 5 and from any other source for the purposes of this
15 section are appropriated for state aid to schools as provided in this
16 section.

17 I. The total amount of state monies that may be spent in any fiscal
18 year for state equalization assistance shall not exceed the amount
19 appropriated or authorized by section 35-173 for that purpose. This section
20 shall not be construed to impose a duty on an officer, agent or employee of
21 this state to discharge a responsibility or to create any right in a person
22 or group if the discharge or right would require an expenditure of state
23 monies in excess of the expenditure authorized by legislative appropriation
24 for that specific purpose.

25 Sec. 16. Section 15-1021, Arizona Revised Statutes, is amended to
26 read:

27 15-1021. Limitation on bonded indebtedness; limitation on
28 authorization and issuance of bonds

29 A. Until December 31, 1999, a school district may issue class A bonds
30 for the purposes specified in this section and chapter 4, article 5 of this
31 title to an amount in the aggregate, including the existing indebtedness, not
32 exceeding fifteen per cent of the taxable property used for secondary
33 property tax purposes, as determined pursuant to title 42, chapter 15,
34 article 1, within a school district as ascertained by the last property tax
35 assessment previous to issuing the bonds.

36 B. From and after December 31, 1998, a school district may issue class
37 B bonds for the purposes specified in this section and chapter 4, article 5
38 of this title to an amount in the aggregate, including the existing class B
39 indebtedness, not exceeding five per cent of the taxable property used for
40 secondary property tax purposes, as determined pursuant to title 42, chapter
41 15, article 1, within a school district as ascertained by the last assessment
42 of state and county taxes previous to issuing the bonds, or one thousand five
43 hundred dollars per student count as determined pursuant to section 15-902,
44 whichever amount is greater. A school district shall not issue class B bonds
45 until the proceeds of any class A bonds issued by the school district have

1 been obligated in contract. The total amount of class A and class B bonds
2 issued by a school district shall not exceed the debt limitations prescribed
3 in article IX, section 8, Constitution of Arizona.

4 C. Until December 31, 1999, a unified school district, as defined
5 under article IX, section 8.1, Constitution of Arizona, may issue class A
6 bonds for the purposes specified in this section and chapter 4, article 5 of
7 this title to an amount in the aggregate, including the existing
8 indebtedness, not exceeding thirty per cent of the taxable property used for
9 secondary property tax purposes, as determined pursuant to title 42, chapter
10 15, article 1, within a unified school district as ascertained by the last
11 property tax assessment previous to issuing the bonds.

12 D. From and after December 31, 1998, a unified school district, as
13 defined under article IX, section 8.1, Constitution of Arizona, may issue
14 class B bonds for the purposes specified in this section and chapter 4,
15 article 5 of this title to an amount in the aggregate, including the existing
16 class B indebtedness, not exceeding ten per cent of the taxable property used
17 for secondary tax purposes, as determined pursuant to title 42, chapter 15,
18 article 1, within a school district as ascertained by the last assessment of
19 state and county taxes previous to issuing the bonds, or one thousand five
20 hundred dollars per student count as determined pursuant to section 15-902,
21 whichever amount is greater. A unified school district shall not issue class
22 B bonds until the proceeds of any class A bonds issued by the unified school
23 district have been obligated in contract. The total amount of class A and
24 class B bonds issued by a unified school district shall not exceed the debt
25 limitations prescribed in article IX, section 8.1, Constitution of Arizona.

26 E. No bonds authorized to be issued by an election held after July 1,
27 1980 and before ~~the effective date of this amendment to this section~~ NOVEMBER
28 24, 2009 may be issued more than six years after the date of the election,
29 except that class A bonds shall not be issued after December 31, 1999. No
30 bonds authorized to be issued by an election held after ~~the effective date of~~
31 ~~this amendment to this section~~ NOVEMBER 24, 2009 may be issued more than ten
32 years after the date of the election.

33 F. Except as provided in section 15-491, subsection A, paragraph 3,
34 bond proceeds shall not be expended for items whose useful life is less than
35 the average life of the bonds issued, except that bond proceeds shall not be
36 expended for items whose useful life is less than five years.

37 G. A joint ~~technological~~ TECHNICAL education district shall not spend
38 class B bond proceeds to construct or renovate a facility located on the
39 campus of a school in a school district that participates in the joint
40 district unless the facility is only used to provide career and technical
41 education and is available to all pupils who live within the joint
42 ~~technological~~ TECHNICAL education district. If the facility is not owned by
43 the joint ~~technological~~ TECHNICAL education district, an intergovernmental
44 agreement or a written contract shall be executed for ten years or the

1 duration of the bonded indebtedness, whichever is greater. The
2 intergovernmental agreement or written contract shall include provisions:

3 1. That preserve the usage of the facility renovated or constructed,
4 or both, only for career and technology programs operated by the joint
5 ~~technology~~ TECHNICAL education district.

6 2. That include the process to be used by the participating district
7 to compensate the joint ~~technology~~ TECHNICAL education district in the event
8 that the facility is no longer used only for career and technology education
9 programs offered by the joint ~~technological~~ TECHNICAL education district
10 during the life of the bond.

11 H. A school district shall not authorize, issue or sell bonds pursuant
12 to this section if the school district has any existing indebtedness from
13 impact aid revenue bonds pursuant to chapter 16, article 8 of this title,
14 except for bonds issued to refund any bonds issued by the governing board.

15 Sec. 17. Section 15-1042, Arizona Revised Statutes, is amended to
16 read:

17 15-1042. Timeline; student level data; definition

18 A. The department of education shall notify school districts and
19 charter schools of electronic data submission procedures and shall distribute
20 a list of the specific student level data elements that school districts and
21 charter schools are required to submit. The department of education shall
22 not make any changes to the student level data elements to be collected
23 except for the following:

24 1. Student attendance data for a joint ~~technological~~ TECHNICAL
25 education district, including entry date and exit date, for classes that
26 count towards the student's graduation requirements as provided for in
27 section 15-701.01.

28 2. Student attendance data for a community college, unless the college
29 is owned, operated or chartered by an Indian tribe, including entry date and
30 exit date, for classes that count towards the student's graduation
31 requirements as provided for in section 15-701.01.

32 B. Each school district and charter school shall submit electronic
33 data on a school by school basis, including student level data, to the
34 department of education in order for the school district or charter school to
35 receive monies for the cost of educating students pursuant to this title.

36 C. The department of education shall grant a school district or
37 charter school an extension to the deadline for the submission of student
38 level data or may provide for an alternative method for the submission of
39 student level data if the school district or charter school proves that good
40 cause exists for the extension, and the school district or charter school
41 shall continue to receive monies for the cost of educating students pursuant
42 to this title. The request by a school district or charter school for an
43 extension of the deadline for the submission of student level data shall
44 include a justification for the extension and the status of current efforts
45 towards complying with the submission of student level data.

1 D. A pupil or the parent or guardian of a pupil shall not be required
2 to submit data that does not relate to the provision of educational services
3 or assistance to the pupil.

4 E. Each student level data element shall include a statutory reference
5 to the law that necessitates its collection.

6 F. Unless otherwise prescribed, school districts and charter schools
7 shall begin to report new data elements on July 1 of the year that follows
8 the effective date of the law that requires the collection of the data.

9 G. Student level data items submitted to the department of education
10 by school districts pursuant to this section shall not be used to adjust
11 funding levels or calculate the average daily membership for the purpose of
12 funding school districts at any time other than the fortieth, one hundredth
13 and two hundredth ~~day~~ DAYS of the school year.

14 H. A school district or charter school is not required to submit
15 student level data to the department of education more often than once every
16 twenty school days.

17 I. Notwithstanding subsection L of this section, the student level
18 data shall include reasons for the withdrawal if reasons are provided by the
19 withdrawing pupil or the pupil's parent or guardian. For the purposes of
20 this subsection, the department of education shall include in the specific
21 student level data elements that school districts and charter schools are
22 required to submit data relating to students who withdraw from school because
23 the student is pregnant or because the student is the biological parent of a
24 child.

25 J. The department of education shall adopt guidelines to remove
26 outdated student level data collected by school districts and charter schools
27 from the student accountability information system.

28 K. All student level data collected pursuant to this section is
29 confidential and is not a public record. The data collected may be used for
30 aggregate research and reporting.

31 L. For the purposes of this section, "student level data" means all
32 data elements that are compiled and submitted for each student in this state
33 and that are necessary for the completion of the statutory requirements of
34 the department of education and the state board of education relating to the
35 calculation of funding for public education, the determination of student
36 academic progress as measured by student testing programs in this state,
37 state and federal reporting requirements and other duties prescribed to the
38 department of education or the state board of education by law. Student
39 level data does not include data elements related to student behavior,
40 discipline, criminal history, medical history, religious affiliation,
41 personal physical descriptors or family information not authorized by the
42 parent or guardian of the pupil.

1 Sec. 18. Section 15-1444, Arizona Revised Statutes, is amended to
2 read:

3 15-1444. General powers and duties of district governing boards

4 A. Except as otherwise provided, the district board shall:

5 1. Maintain each community college for a period of not less than eight
6 months in each year and, if the funds of the district are sufficient,
7 maintain each community college for a longer period.

8 2. Adopt policies in a public forum to offer programs that meet the
9 educational needs of the population served by the community college.

10 3. Enforce the courses of study prescribed by the district board.

11 4. Visit each community college under its jurisdiction and examine
12 carefully into its management, conditions and needs.

13 5. Exclude from each community college all books, publications or
14 papers of a sectarian, partisan or denominational character intended for use
15 as textbooks.

16 6. Appoint and employ a chancellor or chancellors, vice-chancellors, a
17 president or presidents, vice-presidents, deans, professors, instructors,
18 lecturers, fellows and such other officers and employees it deems
19 necessary. The district board may enter into employment contracts with
20 chancellors, vice-chancellors and presidents for a duration of more than one
21 year but not more than five years.

22 7. Determine the salaries of persons it appoints and employs.

23 8. Remove any officer or employee if in its judgment the interests of
24 education in this state require the removal.

25 9. Award degrees, certificates and diplomas ~~upon~~ ON the completion of
26 courses and curriculum as it deems appropriate.

27 10. Appoint or employ, if it deems necessary, police officers who shall
28 have the authority and power of peace officers. The police officers who have
29 received a certificate from the Arizona peace officer standards and training
30 board are eligible for membership in and benefits under either title 38,
31 chapter 5, article 2 or the public safety personnel retirement system under
32 title 38, chapter 5, article 4.

33 11. Determine the location within the district of a community college
34 and purchase, receive, hold, make and take leases of, sell and convey real or
35 personal property for the benefit of the community colleges under its
36 jurisdiction.

37 12. Obtain insurance or be self-insured, or a combination of insurance
38 and self-insurance, against loss, to the extent it is determined necessary on
39 community college buildings of the district. The local district shall have
40 an insurable interest in the buildings.

41 B. The district board may:

42 1. Administer trusts declared or created for the district and receive
43 by gift or devise and hold in trust or otherwise property wheresoever
44 located, and if not otherwise provided, dispose of the property for the
45 benefit of the district.

1 2. Lease real property, as lessor or as lessee. If a district is the
2 lessee, the lease may contain an option to purchase the property. The
3 district board may adopt policies as are deemed necessary and may delegate in
4 writing to the chancellor or president of the district, or their designees,
5 all or any part of its authority to lease property under this paragraph. A
6 district board shall not delegate the authority to execute a lease that
7 exceeds one hundred thousand dollars per year. Any delegation by the
8 district board pursuant to this paragraph may be rescinded in whole or in
9 part at any time by the district board.

10 3. Sue and be sued.

11 4. Contract. The district board may adopt such policies as are deemed
12 necessary and may delegate in writing to the chancellor or president of the
13 district, or their designees, all or any part of its authority to contract
14 under this paragraph. Any delegation of authority under this paragraph may
15 be rescinded by the district board at any time in whole or in part.

16 5. Construct, remodel and repair buildings.

17 6. In conjunction with other districts, establish policies for
18 procurement of goods and services.

19 7. Provide a plan or plans for employee benefits, which may include
20 optional retirement programs pursuant to section 15-1451, subsection A, which
21 allow for participation in a cafeteria plan that meets the requirements of
22 the United States internal revenue code of 1986.

23 8. Accept grants or donations of monies from the United States, or
24 from any of its agencies, departments or officers, or from persons,
25 corporations, foundations or associations. A district board shall deposit
26 the monies into a specific fund or account and a district board shall
27 administer the monies in accordance with the purpose of the grant or donation
28 with specific policies or restrictions as described or stipulated in the
29 grant or donation. In the case of personal property granted or donated to or
30 for the benefit of a community college district, a district board shall
31 immediately transfer possession and ownership of the property to the
32 designated district.

33 9. Enter into intergovernmental agreements or contracts pursuant to
34 section 11-952.01 for participation in programs offered by public agency
35 pools or separately contract with a trustee or board of trustees that
36 provides a common self-insurance program with pooled funds and risks pursuant
37 to section 15-382, subsection B, paragraph 2. The district board is not
38 required to engage in competitive procurement in order to make the decision
39 to participate in these programs.

40 C. If a district acquires real or personal property, whether by
41 purchase, exchange, condemnation, gift or otherwise, the district shall pay
42 to the county treasurer any taxes on the property that were unpaid as of the
43 date of acquisition, including penalties and interest. The lien for unpaid
44 delinquent taxes, penalties and interest on property acquired by the
45 district:

1 1. Is not abated, extinguished, discharged or merged in the title to
2 the property.

3 2. Is enforceable in the same manner as other delinquent tax liens.

4 D. ~~From and after December 31, 1988,~~ In a district whose boundaries
5 encompass a vehicle emissions control area as defined in section 49-541, the
6 district board shall require all out-of-county and out-of-state students to
7 sign an affidavit at the time of course registration that the student's
8 vehicle meets the requirements of section 49-542. ~~From and after December~~
9 ~~31, 1988,~~ The district board on property under its jurisdiction within a
10 vehicle emissions control area shall prohibit the parking of those vehicles
11 ~~which~~ THAT fail to comply with section 49-542.

12 E. A community college district and a joint ~~technological~~ TECHNICAL
13 education district governing board may enter into agreements for the
14 provision of administrative, operational and educational services and
15 facilities.

16 F. Each district may establish a program for the exchange of students
17 between the community colleges under its jurisdiction and colleges and
18 universities located in Sonora, Mexico. The program may provide for in-state
19 tuition for Sonora students at the community colleges under ~~its~~ THE
20 jurisdiction OF THE DISTRICT in exchange for similar tuition provisions for
21 Arizona students enrolled or seeking enrollment in Sonora colleges and
22 universities. The community colleges may work in conjunction with the
23 Arizona-Mexico commission in the governor's office to coordinate recruitment
24 and admissions activities to provide for in-state tuition for up to fifty
25 Sonora students at the community colleges under ~~its~~ THE jurisdiction OF THE
26 DISTRICT in exchange for similar tuition provisions for up to fifty total
27 Arizona students enrolled or seeking enrollment in Sonora colleges and
28 universities.

29 G. Each district shall facilitate transfer articulation coordination
30 pursuant to section 15-1824.

31 Sec. 19. Section 15-2031, Arizona Revised Statutes, is amended to
32 read:

33 15-2031. Building renewal fund; definitions

34 A. A building renewal fund is established consisting of monies
35 appropriated by the legislature. The school facilities board shall
36 administer the fund and distribute monies to school districts for the purpose
37 of maintaining the adequacy of existing school facilities. Monies in the
38 fund are continuously appropriated and are exempt from the provisions of
39 section 35-190 relating to lapsing of appropriations.

40 B. The school facilities board shall inventory and inspect all school
41 buildings in this state in order to develop a database to administer the
42 building renewal formula. The database shall include the student capacity of
43 the building as determined by the school facilities board. The board shall
44 distribute monies from the building renewal fund to school districts in an
45 amount computed pursuant to subsection I of this section. A school district

1 that receives monies from the building renewal fund shall use the monies
2 first for any projects that fall below the minimum school facility adequacy
3 guidelines, as adopted by the school facilities board pursuant to section
4 15-2011, and that are part of any buildings in the database and second for
5 any other projects that are part of any buildings owned by the school
6 district for any of the following:

7 1. Major renovations and repairs of a building.
8 2. Upgrading systems and areas that will maintain or extend the useful
9 life of the building.

10 3. Infrastructure costs.
11 4. Relocation and placement of portable and modular buildings.

12 C. Monies received from the building renewal fund shall be used for
13 primary projects, unless only secondary projects exist.

14 D. Notwithstanding subsections B and C of this section, school
15 districts shall use building renewal monies on secondary projects to comply
16 with building, health, fire or safety codes. Before spending building
17 renewal monies on secondary projects to comply with building, health, fire or
18 safety codes, the school facilities board shall approve the projects.

19 E. Monies received from the building renewal fund shall not be used
20 for any of the following purposes:

21 1. New construction.
22 2. Remodeling interior space for aesthetic or preferential reasons.
23 3. Exterior beautification.
24 4. Demolition.
25 5. The purchase of soft capital items pursuant to section 15-962,
26 subsection D.

27 6. Routine maintenance except as provided in section 15-2002,
28 subsection K and subsection L of this section.

29 F. The school facilities board shall maintain the building renewal
30 database and use the database for the computation of the building renewal
31 formula distributions. The board shall ensure that the database is updated
32 on at least an annual basis to reflect changes in the ages and value of
33 school buildings. The facilities listed in the database shall include only
34 those buildings that are owned by school districts that are required to meet
35 academic standards. Each school district shall report to the school
36 facilities board no later than October 15 of each year the number and type of
37 school buildings owned by the district, the square footage of each building,
38 the age of each building, the nature of any renovations completed and the
39 cost of any renovations completed. The school facilities board may review or
40 audit, or both, to confirm the information submitted by a school
41 district. If a joint ~~technological~~ TECHNICAL education district leases a
42 building from a school district, that building shall not be included in the
43 school district's square footage calculation for the purposes of determining
44 the school district's building renewal distribution pursuant to this section.
45 The board shall adjust the age of each school facility in the database

1 whenever a building is significantly upgraded or remodeled. The age of a
2 building that has been significantly upgraded or remodeled shall be
3 recomputed as follows:

4 1. Divide the cost of the renovation by the building capacity value of
5 the building determined in subsection I, paragraph 3 of this section.

6 2. Multiply the quotient determined in paragraph 1 of this subsection
7 by the currently listed age of the building in the database.

8 3. Subtract the product determined in paragraph 2 of this subsection
9 from the currently listed age of the building in the database, rounded to the
10 nearest whole number. If the result is negative, use zero.

11 G. The school facilities board shall submit electronically an annual
12 report to the president of the senate, the speaker of the house of
13 representatives, the Arizona state library, archives and public records and
14 the governor by October 1 that includes the computation of the amount of
15 monies to be distributed from the building renewal fund for the current
16 fiscal year. The joint committee on capital review shall review the school
17 facilities board's calculation of the building renewal fund distributions.
18 After the joint committee on capital review reviews the distributions
19 computed by the school facilities board, the school facilities board shall
20 distribute the monies from the building renewal fund to school districts in
21 two equal installments in November and May of each year.

22 H. School districts that receive monies from the building renewal fund
23 shall establish a district building renewal fund and shall use the monies in
24 the district building renewal fund only for the purposes prescribed in
25 subsection B of this section. Ending cash balances in a school district's
26 building renewal fund may be used in following fiscal years for building
27 renewal pursuant to subsection B of this section. By October 15 of each
28 year, each school district shall report to the school facilities board the
29 projects funded at each school in the previous fiscal year with monies from
30 the district building renewal fund, including the amount of expenditures
31 dedicated to primary projects and to secondary projects. On receipt of these
32 reports, the school facilities board shall forward this information to the
33 joint legislative budget committee staff and the governor's office of
34 strategic planning and budgeting staff. Each school district shall also
35 report to the school facilities board an accounting of the monies remaining
36 in the district building renewal fund at the end of the previous fiscal year
37 and a comprehensive three year plan that details the proposed use of building
38 renewal monies. If a school district fails to submit the report by October
39 15 or the information required by subsection F of this section, the school
40 facilities board shall withhold building renewal monies from the school
41 district until the school facilities board determines that the school
42 district has complied with the reporting requirement. When the school
43 facilities board determines that the school district has complied with the
44 reporting requirement, the school facilities board shall restore the full
45 amount of withheld building renewal monies to the school district.

1 I. Notwithstanding any other provision of this chapter, if a school
2 district converts space that is listed in the database maintained pursuant to
3 this section to space that will be used for administrative purposes, the
4 school district is responsible for any costs associated with the conversion,
5 maintenance and replacement of that space. The building renewal amount for
6 each school building shall be computed as follows:

7 1. Divide the age of the building as computed pursuant to subsection F
8 of this section by one thousand two hundred seventy-five or, in the case of
9 modular or portable buildings, by two hundred ten.

10 2. Multiply the quotient determined in paragraph 1 of this subsection
11 by 0.67.

12 3. Determine the building capacity value as follows:

13 (a) Multiply the student capacity of the building by the per student
14 square foot capacity established by section 15-2041.

15 (b) Multiply the product determined in subdivision (a) by the cost per
16 square foot established by section 15-2041.

17 4. Multiply the product determined in paragraph 2 of this subsection
18 by the product determined in paragraph 3, subdivision (b) of this subsection.

19 J. If the school facilities board determines that a school district
20 has spent monies from the building renewal fund for purposes other than those
21 prescribed in subsection B of this section, the school facilities board shall
22 notify the superintendent of public instruction. Notwithstanding any other
23 law, the superintendent of public instruction shall withhold a corresponding
24 amount from the monies that would otherwise be due the school district under
25 the capital outlay revenue limit until these monies are repaid.

26 K. A school district is not entitled to receive monies from the
27 building renewal fund for any buildings that are to be replaced with new
28 buildings that are funded with deficiencies corrections monies. The
29 replacement buildings are not eligible to receive building renewal funding
30 until the fiscal year following the completion of the building.

31 L. Notwithstanding subsections B and E of this section, a school
32 district may use eight per cent of the building renewal amount computed
33 pursuant to subsection I of this section for routine preventative
34 maintenance. The board, after consultation with maintenance specialists in
35 school districts, shall provide examples of recommended services that are
36 routine preventative maintenance.

37 M. A school district that uses building renewal monies for routine
38 preventative maintenance shall use the building renewal monies to supplement
39 and not supplant expenditures from other funds for the maintenance of school
40 buildings. The auditor general shall prescribe a method for determining
41 compliance with the requirements of this subsection. A school district, in
42 connection with any audit conducted by a certified public accountant, shall
43 also contract for an independent audit to determine whether the school
44 district used building renewal monies to reduce the school district's
45 existing level of routine preventative maintenance funding. The auditor

1 general may conduct discretionary reviews of a school district that is not
2 required to contract for an independent audit.

3 N. For the purposes of this section:

4 1. "Primary projects" means projects that are necessary for buildings
5 owned by school districts that are required to meet the academic standards
6 listed in the database maintained pursuant to subsection F of this section
7 and that fall below the minimum school facility adequacy guidelines, as
8 adopted by the school facilities board pursuant to section 15-2011.

9 2. "Routine preventative maintenance" means services that are
10 performed on a regular schedule at intervals ranging from four times a year
11 to once every three years and that are intended to extend the useful life of
12 a building system and reduce the need for major repairs.

13 3. "Secondary projects" means all projects that are not primary
14 projects.

15 4. "Student capacity" has the same meaning prescribed in section
16 15-2011.

17 Sec. 20. Section 15-2041, Arizona Revised Statutes, is amended to
18 read:

19 15-2041. New school facilities fund; capital plan; report

20 A. A new school facilities fund is established consisting of monies
21 appropriated by the legislature and monies credited to the fund pursuant to
22 section 37-221. The school facilities board shall administer the fund and
23 distribute monies, as a continuing appropriation, to school districts for the
24 purpose of constructing new school facilities and for contracted expenses
25 pursuant to section 15-2002, subsection B, paragraphs 2, 3 and 4. On June 30
26 of each fiscal year, any unobligated contract monies in the new school
27 facilities fund shall be transferred to the capital reserve fund established
28 by section 15-2003.

29 B. The school facilities board shall prescribe a uniform format for
30 use by the school district governing board in developing and annually
31 updating a capital plan that consists of each of the following:

32 1. Enrollment projections for the next five years for elementary
33 schools and eight years for middle and high schools, including a description
34 of the methods used to make the projections.

35 2. A description of new schools or additions to existing schools
36 needed to meet the building adequacy standards prescribed in section 15-2011.
37 The description shall include:

38 (a) The grade levels and the total number of pupils that the school or
39 addition is intended to serve.

40 (b) The year in which it is necessary for the school or addition to
41 begin operations.

42 (c) A timeline that shows the planning and construction process for
43 the school or addition.

44 3. Long-term projections of the need for land for new schools.

1 4. Any other necessary information required by the school facilities
2 board to evaluate a school district's capital plan.

3 5. If a school district pays tuition for all or a portion of the
4 school district's high school pupils to another school district, the capital
5 plan shall indicate the number of pupils for which the district pays tuition
6 to another district. If a school district accepts pupils from another school
7 district pursuant to section 15-824, subsection A, the school district shall
8 indicate the projections for this population separately. This paragraph does
9 not apply to a small isolated school district as defined in section 15-901.

10 C. If the capital plan indicates a need for a new school or an
11 addition to an existing school within the next four years or a need for land
12 within the next ten years, the school district shall submit its plan to the
13 school facilities board by September 1 and shall request monies from the new
14 school facilities fund for the new construction or land. Monies provided for
15 land shall be in addition to any monies provided pursuant to subsection D of
16 this section.

17 D. The school facilities board shall distribute monies from the new
18 school facilities fund as follows:

19 1. The school facilities board shall review and evaluate the
20 enrollment projections and either approve the projections as submitted or
21 revise the projections. In determining new construction requirements, the
22 school facilities board shall determine the net new growth of pupils that
23 will require additional square footage that exceeds the building adequacy
24 standards prescribed in section 15-2011. If the projected growth and the
25 existing number of pupils exceed three hundred fifty pupils who are served in
26 a school district other than the pupil's resident school district, the school
27 facilities board, the receiving school district and the resident school
28 district shall develop a capital facilities plan on how to best serve those
29 pupils. A small isolated school district as defined in section 15-901 is not
30 required to develop a capital facilities plan pursuant to this paragraph.

31 2. If the approved projections indicate that additional space will not
32 be needed within the next two years for elementary schools or three years for
33 middle or high schools in order to meet the building adequacy standards
34 prescribed in section 15-2011, the request shall be held for consideration by
35 the school facilities board for possible future funding and the school
36 district shall annually submit an updated plan until the additional space is
37 needed.

38 3. If the approved projections indicate that additional space will be
39 needed within the next two years for elementary schools or three years for
40 middle or high schools in order to meet the building adequacy standards
41 prescribed in section 15-2011, the school facilities board shall provide an
42 amount as follows:

43 (a) Determine the number of pupils requiring additional square footage
44 to meet building adequacy standards. This amount for elementary schools
45 shall not be less than the number of new pupils for whom space will be needed

1 in the next year and shall not exceed the number of new pupils for whom space
2 will be needed in the next five years. This amount for middle and high
3 schools shall not be less than the number of new pupils for whom space will
4 be needed in the next four years and shall not exceed the number of new
5 pupils for whom space will be needed in the next eight years.

6 (b) Multiply the number of pupils determined in subdivision (a) of
7 this paragraph by the square footage per pupil. The square footage per pupil
8 is ninety square feet per pupil for preschool children with disabilities,
9 kindergarten programs and grades one through six, one hundred square feet for
10 grades seven and eight, one hundred thirty-four square feet for a school
11 district that provides instruction in grades nine through twelve for fewer
12 than one thousand eight hundred pupils and one hundred twenty-five square
13 feet for a school district that provides instruction in grades nine through
14 twelve for at least one thousand eight hundred pupils. The total number of
15 pupils in grades nine through twelve in the district shall determine the
16 square footage factor to use for net new pupils. The school facilities board
17 may modify the square footage requirements prescribed in this subdivision for
18 particular schools based on any of the following factors:

19 (i) The number of pupils served or projected to be served by the
20 school district.

21 (ii) Geographic factors.

22 (iii) Grade configurations other than those prescribed in this
23 subdivision.

24 (iv) Compliance with minimum school facility adequacy requirements
25 established pursuant to section 15-2011.

26 (c) Multiply the product obtained in subdivision (b) of this paragraph
27 by the cost per square foot. The cost per square foot is ninety dollars for
28 preschool children with disabilities, kindergarten programs and grades one
29 through six, ninety-five dollars for grades seven and eight and one hundred
30 ten dollars for grades nine through twelve. The cost per square foot shall
31 be adjusted annually for construction market considerations based on an index
32 identified or developed by the joint legislative budget committee as
33 necessary but not less than once each year. The school facilities board
34 shall multiply the cost per square foot by 1.05 for any school district
35 located in a rural area. The school facilities board may only modify the
36 base cost per square foot prescribed in this subdivision for particular
37 schools based on geographic conditions or site conditions. For the purposes
38 of this subdivision, "rural area" means an area outside a thirty-five mile
39 radius of a boundary of a municipality with a population of more than fifty
40 thousand persons.

41 (d) Once the school district governing board obtains approval from the
42 school facilities board for new facility construction funds, additional
43 portable or modular square footage created for the express purpose of
44 providing temporary space for pupils until the completion of the new facility
45 shall not be included by the school facilities board for the purpose of new

1 construction funding calculations. On completion of the new facility
2 construction project, if the portable or modular facilities continue in use,
3 the portable or modular facilities shall be included as prescribed by this
4 chapter, unless the school facilities board approves their continued use for
5 the purpose of providing temporary space for pupils until the completion of
6 the next new facility that has been approved for funding from the new school
7 facilities fund.

8 4. For projects approved after December 31, 2001, and notwithstanding
9 paragraph 3 of this subsection, a unified school district that does not have
10 a high school is not eligible to receive high school space as prescribed by
11 section 15-2011 and this section unless the unified district qualifies for
12 geographic factors prescribed by paragraph 3, subdivision (b), item (ii) of
13 this subsection.

14 5. If a joint ~~technological~~ TECHNICAL education district leases a
15 building from a school district, that building shall be included in the
16 school district's square footage calculation for the purposes of new
17 construction pursuant to this section.

18 E. Monies for architectural and engineering fees, project management
19 services and preconstruction services shall be distributed on the completion
20 of the analysis by the school facilities board of the school district's
21 request. After receiving monies pursuant to this subsection, the school
22 district shall submit a design development plan for the school or addition to
23 the school facilities board before any monies for construction are
24 distributed. If the school district's request meets the building adequacy
25 standards, the school facilities board may review and comment on the
26 district's plan with respect to the efficiency and effectiveness of the plan
27 in meeting state square footage and facility standards before distributing
28 the remainder of the monies. If the school facilities board modifies the
29 cost per square foot as prescribed in subsection D, paragraph 3, subdivision
30 (c) of this section, the school facilities board may deduct the cost of
31 project management services and preconstruction services from the required
32 cost per square foot. The school facilities board may decline to fund the
33 project if the square footage is no longer required due to revised enrollment
34 projections.

35 F. The school facilities board shall distribute the monies needed for
36 land for new schools so that land may be purchased at a price that is less
37 than or equal to fair market value and in advance of the construction of the
38 new school. If necessary, the school facilities board may distribute monies
39 for land to be leased for new schools if the duration of the lease exceeds
40 the life expectancy of the school facility by at least fifty per cent. The
41 proceeds derived through the sale of any land purchased or partially
42 purchased with monies provided by the school facilities board shall be
43 returned to the state fund from which it was appropriated and to any other
44 participating entity on a proportional basis. Except as provided in section
45 15-342, paragraph 33, if a school district acquires real property by donation

1 at an appropriate school site approved by the school facilities board, the
2 school facilities board shall distribute an amount equal to twenty per cent
3 of the fair market value of the donated real property that can be used for
4 academic purposes. The school district shall place the monies in the
5 unrestricted capital outlay fund and increase the unrestricted capital budget
6 limit by the amount of monies placed in the fund. Monies distributed under
7 this subsection shall be distributed from the new school facilities fund. A
8 school district that receives monies from the new school facilities fund for
9 a donation of land pursuant to section 15-342, paragraph 33 shall not receive
10 monies from the school facilities board for the donation of real property
11 pursuant to this subsection. A school district shall not pay a consultant a
12 percentage of the value of any of the following:

13 1. Donations of real property, services or cash from any of the
14 following:

15 (a) Entities that have offered to provide construction services to the
16 school district.

17 (b) Entities that have been contracted to provide construction
18 services to the school district.

19 (c) Entities that build residential units in that school district.

20 (d) Entities that develop land for residential use in that school
21 district.

22 2. Monies received from the school facilities board on behalf of the
23 school district.

24 3. Monies paid by the school facilities board on behalf of the school
25 district.

26 G. In addition to distributions to school districts based on pupil
27 growth projections, a school district may submit an application to the school
28 facilities board for monies from the new school facilities fund if one or
29 more school buildings have outlived their useful life. If the school
30 facilities board determines that the school district needs to build a new
31 school building for these reasons, the school facilities board shall remove
32 the square footage computations that represent the building from the
33 computation of the school district's total square footage for purposes of
34 this section. If the square footage recomputation reflects that the school
35 district no longer meets building adequacy standards, the school district
36 qualifies for a distribution of monies from the new school construction
37 formula in an amount determined pursuant to subsection D of this section.
38 Buildings removed from a school district's total square footage pursuant to
39 this subsection shall not be included in the computation of monies from the
40 building renewal fund established by section 15-2031. The school facilities
41 board may only modify the base cost per square foot prescribed in this
42 subsection under extraordinary circumstances for geographic factors or site
43 conditions.

1 H. School districts that receive monies from the new school facilities
2 fund shall establish a district new school facilities fund and shall use the
3 monies in the district new school facilities fund only for the purposes
4 prescribed in this section. By October 15 of each year, each school district
5 shall report to the school facilities board the projects funded at each
6 school in the previous fiscal year with monies from the district new school
7 facilities fund and shall provide an accounting of the monies remaining in
8 the new school facilities fund at the end of the previous fiscal year.

9 I. If a school district has surplus monies received from the new
10 school facilities fund, the school district may use the surplus monies only
11 for capital purposes for the project for up to one year after completion of
12 the project. If the school district possesses surplus monies from the new
13 school construction project that have not been expended within one year of
14 the completion of the project, the school district shall return the surplus
15 monies to the school facilities board for deposit in the new school
16 facilities fund.

17 J. The board's consideration of any application filed after December
18 31 of the year in which the property becomes territory in the vicinity of a
19 military airport or ancillary military facility as defined in section 28-8461
20 for monies to fund the construction of new school facilities proposed to be
21 located in territory in the vicinity of a military airport or ancillary
22 military facility shall include, if after notice is transmitted to the
23 military airport pursuant to section 15-2002 and before the public hearing
24 the military airport provides comments and an analysis concerning
25 compatibility of the proposed school facilities with the high noise or
26 accident potential generated by military airport or ancillary military
27 facility operations that may have an adverse effect on public health and
28 safety, consideration and analysis of the comments and analysis provided by
29 the military airport before making a final determination.

30 K. If a school district uses its own project manager for new school
31 construction, the members of the school district governing board and the
32 project manager shall sign an affidavit stating that the members and the
33 project manager understand and will follow the minimum adequacy requirements
34 prescribed in section 15-2011.

35 L. The school facilities board shall establish a separate account in
36 the new school facilities fund designated as the litigation account to pay
37 attorney fees, expert witness fees and other costs associated with litigation
38 in which the school facilities board pursues the recovery of damages for
39 deficiencies correction that resulted from alleged construction defects or
40 design defects that the school facilities board believes caused or
41 contributed to a failure of the school building to conform to the building
42 adequacy requirements prescribed in section 15-2011. Attorney fees paid
43 pursuant to this subsection shall not exceed the market rate for similar
44 types of litigation. The joint committee on capital review shall conduct an

1 annual review of the litigation account, including the costs associated with
2 current and potential litigation.

3 M. Until the state board of education and the auditor general adopt
4 rules pursuant to section 15-213, subsection I, the school facilities board
5 may allow school districts to contract for construction services and
6 materials through the qualified select bidders list method of project
7 delivery for new school facilities pursuant to this section.

8 N. The school facilities board shall submit electronically a report on
9 project management services and preconstruction services to the governor, the
10 president of the senate and the speaker of the house of representatives by
11 December 31 of each year. The report shall compare projects that use project
12 management and preconstruction services with those that do not. The report
13 shall address cost, schedule and other measurable components of a
14 construction project. School districts, construction manager at risk firms
15 and project management firms that participate in a school facilities board
16 funded project shall provide the information required by the school
17 facilities board in relation to this report.

18 O. If a school district constructs new square footage according to
19 section 15-342, paragraph 33, the school facilities board shall review the
20 design plans and location of any new school facility submitted by school
21 districts and another party to determine whether the design plans comply with
22 the adequacy standards prescribed in section 15-2011 and the square footage
23 per pupil requirements pursuant to subsection D, paragraph 3, subdivision (b)
24 of this section. When the school district qualifies for a distribution of
25 monies from the new school facilities fund according to this section, the
26 school facilities board shall distribute monies to the school district from
27 the new school facilities fund for the square footage constructed under
28 section 15-342, paragraph 33 at the same cost per square foot established by
29 this section that was in effect at the time of the beginning of the
30 construction of the school facility. Before the school facilities board
31 distributes any monies pursuant to this subsection, the school district shall
32 demonstrate to the school facilities board that the facilities to be funded
33 pursuant to this section meet the minimum adequacy standards prescribed in
34 section 15-2011. The agreement entered into pursuant to section 15-342,
35 paragraph 33 shall set forth the procedures for the allocation of these funds
36 to the parties that participated in the agreement.

37 Sec. 21. Section 16-322, Arizona Revised Statutes, is amended to read:

38 16-322. Number of signatures required on nomination petitions

39 A. Nomination petitions shall be signed:

40 1. If for a candidate for the office of United States senator or for a
41 state office, excepting members of the legislature and superior court judges,
42 by a number of qualified electors who are qualified to vote for the candidate
43 whose nomination petition they are signing equal to at least one-half of one
44 per cent of the voter registration of the party of the candidate in at least
45 three counties in the state, but not less than one-half of one per cent nor

1 more than ten per cent of the total voter registration of the candidate's
2 party in the state.

3 2. If for a candidate for the office of representative in Congress, by
4 a number of qualified electors who are qualified to vote for the candidate
5 whose nomination petition they are signing equal to at least one-half of one
6 per cent but not more than ten per cent of the total voter registration of
7 the party designated in the district from which such representative shall be
8 elected.

9 3. If for a candidate for the office of member of the legislature, by
10 a number of qualified electors who are qualified to vote for the candidate
11 whose nomination petition they are signing equal to at least one per cent but
12 not more than three per cent of the total voter registration of the party
13 designated in the district from which the member of the legislature may be
14 elected.

15 4. If for a candidate for a county office or superior court judge, by
16 a number of qualified electors who are qualified to vote for the candidate
17 whose nomination petition they are signing equal to at least two per cent but
18 not more than ten per cent of the total voter registration of the party
19 designated in the county or district, provided that in counties with a
20 population of two hundred thousand persons or more, a candidate for a county
21 office shall have nomination petitions signed by a number of qualified
22 electors who are qualified to vote for the candidate whose nomination
23 petition they are signing equal to at least one-half of one per cent but not
24 more than ten per cent of the total voter registration of the party
25 designated in the county or district.

26 5. If for a candidate for a community college district, by a number of
27 qualified electors who are qualified to vote for the candidate whose
28 nomination petition they are signing equal to at least one-half of one per
29 cent but not more than ten per cent of the total voter registration in the
30 precinct as established pursuant to section 15-1441.

31 6. If for a candidate for county precinct committeeman, by a number of
32 qualified electors who are qualified to vote for the candidate whose
33 nomination petition they are signing equal to at least two per cent but not
34 more than ten per cent of the party voter registration in the precinct or ten
35 signatures, whichever is less.

36 7. If for a candidate for justice of the peace or constable, by a
37 number of qualified electors who are qualified to vote for the candidate
38 whose nomination petition they are signing equal to at least two per cent but
39 not more than ten per cent of the party voter registration in the precinct.

40 8. If for a candidate for mayor or other office nominated by a city at
41 large, by a number of qualified electors who are qualified to vote for the
42 candidate whose nomination petition they are signing equal to at least five
43 per cent and not more than ten per cent of the designated party vote in the
44 city, except that a city that chooses to hold nonpartisan elections may by
45 ordinance provide that the minimum number of signatures required for the

1 candidate be one thousand signatures or five per cent of the vote in the
2 city, whichever is less, but not more than ten per cent of the vote in the
3 city.

4 9. If for an office nominated by ward, precinct or other district of a
5 city, by a number of qualified electors who are qualified to vote for the
6 candidate whose nomination petition they are signing equal to at least five
7 per cent and not more than ten per cent of the designated party vote in the
8 ward, precinct or other district.

9 10. If for a candidate for an office nominated by a town at large, by a
10 number of qualified electors who are qualified to vote for the candidate
11 whose nomination petition they are signing equal to at least five per cent
12 and not more than ten per cent of the vote in the town.

13 11. If for a candidate for a governing board of a school district, by a
14 number of qualified electors who are qualified to vote for the candidate
15 whose nomination petition they are signing equal to at least one-half of one
16 per cent of the total voter registration in the school district if the
17 governing board members are elected at large or one per cent of the total
18 voter registration in the single member district if governing board members
19 or joint ~~technological~~ TECHNICAL education district board members are elected
20 from single member districts. Notwithstanding the total voter registration
21 in the school district or single member district, the maximum number of
22 signatures required by this paragraph is four hundred.

23 12. If for a candidate for a governing body of a special district as
24 described in title 48, by a number of qualified electors who are qualified to
25 vote for the candidate whose nomination petition they are signing equal to at
26 least one-half of one per cent of the vote in the special district but not
27 more than two hundred fifty and not fewer than five signatures.

28 B. The basis of percentage in each instance referred to in subsection
29 A of this section, except in cities, towns and school districts, shall be the
30 number of voters registered in the designated party of the candidate as
31 reported pursuant to section 16-168, subsection G on March 1 of the year in
32 which the general election is held. In cities, the basis of percentage shall
33 be the vote of the party for mayor at the last preceding election at which a
34 mayor was elected. In towns, the basis of percentage shall be the highest
35 vote cast for an elected official of the town at the last preceding election
36 at which an official of the town was elected. In school districts, the basis
37 of percentage shall be the total number of voters registered in the school
38 district or single member district, whichever applies. The total number of
39 voters registered for school districts shall be calculated using the periodic
40 reports prepared by the county recorder pursuant to section 16-168,
41 subsection G. The count that is reported on March 1 of the year in which the
42 general election is held shall be the basis for the calculation of total
43 voter registration for school districts.

1 C. In primary elections the signature requirement for party nominees,
2 other than nominees of the parties entitled to continued representation
3 pursuant to section 16-804, is at least one-tenth of one per cent of the
4 total vote for the winning candidate or candidates for governor or
5 presidential electors at the last general election within the district.
6 Signatures must be obtained from qualified electors who are qualified to vote
7 for the candidate whose nomination petition they are signing.

8 D. If new boundaries for congressional districts, legislative
9 districts, supervisorial districts, justice precincts or election precincts
10 are established and effective subsequent to March 1 of the year of a general
11 election and prior to the date for filing of nomination petitions, the basis
12 for determining the required number of nomination petition signatures is the
13 number of registered voters in the designated party of the candidate in the
14 elective office, district or precinct on the day the new districts or
15 precincts are effective.

16 Sec. 22. Section 35-701, Arizona Revised Statutes, is amended to read:

17 35-701. Definitions

18 In this chapter, unless the context otherwise requires:

19 1. "Corporation" means any corporation organized as an authority as
20 provided in this chapter.

21 2. "Designated area" means any area of this state which is either
22 designated pursuant to section 36-1479 as a slum or blighted area as defined
23 in section 36-1471, designated by regulation as a pocket of poverty or a
24 neighborhood strategy area by the United States department of housing and
25 urban development pursuant to title I of the housing and community
26 development act of 1977 (P.L. 95-128; 42 United States Code sections 5301
27 through 5320), as amended, and the department of housing and urban
28 development act (P.L. 89-174; 42 United States Code section 3535(d)) or
29 designated by the United States department of housing and urban development
30 as an empowerment or enterprise zone pursuant to the federal omnibus budget
31 reconciliation act of 1993 (P.L. 103-66; 26 United States Code section
32 1391(g)) or an area certified as an enterprise zone pursuant to section
33 41-1524, subsection B.

34 3. "Governing body" means:

35 (a) The board or body in which the general legislative powers of the
36 municipality or the county are vested.

37 (b) The Arizona board of regents with respect to a corporation formed
38 with the permission of the Arizona board of regents.

39 4. "Income" means gross earnings from wages, salary, commissions,
40 bonuses or tips from all jobs, net earnings from such person's or family's
41 own nonfarm business, professional practice or partnership, and net earnings
42 from such person's or family's own farm. Income includes income, other than
43 earnings, that consists of amounts received from social security or railroad
44 retirement, interest, dividends, veterans payments, pensions and other
45 regular payments, public assistance or welfare payments, including aid for

1 dependent children, old age assistance and aid to the blind or totally
2 disabled, but excluding separate payments for hospital or other medical care.

3 5. "Manufactured house" means a structure that is manufactured in a
4 factory after June 15, 1976, that is delivered to a homesite in more than one
5 section and that is placed on a permanent foundation. The dimensions of the
6 completed house shall not be less than twenty feet by forty feet, the roof
7 must be sloping, the siding and roofing must be the same as those found in
8 site-built houses and the house must be eligible for thirty year real estate
9 mortgage financing.

10 6. "Municipality" or "county" means the Arizona board of regents or
11 any incorporated city or town, including charter cities, or any county in
12 this state in which a corporation may be organized and in which it is
13 contemplated the corporation will function.

14 7. "Persons of low and moderate income" means, for the purposes of
15 financing owner-occupied single family dwelling units in areas which the
16 municipality has found, pursuant to section 36-1479, to be slum or blighted
17 areas, as defined in section 36-1471, persons and families whose income does
18 not exceed two and one-half times the median family income of this state. In
19 all other areas it means persons and families whose income does not exceed
20 one and one-half times the median family income of this state.

21 8. "Project" means any land, any building or any other improvement and
22 all real and personal properties, including machinery and equipment whether
23 or not now in existence or under construction and whether located within or
24 without this state or the municipality or county approving the formation of
25 the corporation, that are suitable for any of the following:

26 (a) With respect to a corporation formed with the permission of a
27 municipality or county other than the Arizona board of regents:

28 (i) Any enterprise for the manufacturing, processing or assembling of
29 any agricultural or manufactured products.

30 (ii) Any commercial enterprise for the storing, warehousing,
31 distributing or selling of products of agriculture, mining or industry, or of
32 processes related thereto, including research and development.

33 (iii) Any office building or buildings for use as corporate or company
34 headquarters or regional offices or the adaptive use for offices of any
35 building within this state that is on the national register of historic
36 places or rehabilitation of residential buildings located in registered
37 historic neighborhoods.

38 (iv) A health care institution as defined in section 36-401.

39 (v) Residential real property for dwelling units located within the
40 municipality or county approving the formation of the corporation and, in the
41 case of a county, whether or not also within a municipality that is within
42 the county.

43 (vi) Repairing or rehabilitating single family dwelling units or
44 constructing or repairing residential fences and walls.

45 (vii) Convention or trade show facilities.

(viii) Airports, docks, wharves, mass commuting facilities, parking facilities or storage or training facilities directly related to any of the facilities as provided in this item.

(ix) Sewage or solid waste disposal facilities or facilities for the furnishing of electric energy, gas or water.

(x) Industrial park facilities.

(xi) Air or water pollution control facilities.

(xii) Any educational institution that is operated by a nonprofit educational organization that is exempt from taxation under section 501(c)(3) of the United States internal revenue code and that is not otherwise funded by state monies, any educational institution or organization that is established under title 15, chapter 1, article 8 and that is owned by a nonprofit organization, any private nonsectarian school or any private nonsectarian organization established for the purpose of funding a joint ~~technological~~ TECHNICAL education school district.

(xiii) Research and development facilities.

(xiv) Commercial enterprises, including facilities for office, recreational, hotel, motel and service uses if the facilities authorized by this item are to be located in a designated area.

(xv) A child welfare agency, as defined in section 8-501, owned and operated by a nonprofit organization.

(xvi) A transportation facility constructed or operated pursuant to title 28, chapter 22.

(xvii) A museum operated by a nonprofit organization.

(xviii) Facilities owned or operated by a nonprofit organization described in section 501(c) of the United States internal revenue code of 1986.

(xix) New or existing correctional facilities within this state.

(b) With respect to a corporation formed with the permission of the Arizona board of regents, any facility consisting of classrooms, lecture halls or conference centers or any facility for research and development or for manufacturing, processing, assembling, marketing, storing and transferring items developed through or connected with research and development or in which the results of such research and development are utilized, but only if the facility is located in an area designated as a research park by the Arizona board of regents.

9. "Property" means any land, improvements thereon, buildings and any improvements thereto, machinery and equipment of any and all kinds necessary to a project and any other personal properties deemed necessary in connection with a project.

10. "Research park" means an area of land that has been designated by the Arizona board of regents as a research park for a university and that, at the date of designation, is owned by this state or by the Arizona board of regents.

1 11. "Single family dwelling unit" includes any new, used or
2 manufactured house that meets the insuring requirements of the federal
3 housing administration, the veterans administration or any other insuring
4 entity of the United States government or any private mortgage insurance or
5 surety company that is approved by the federal home loan mortgage corporation
6 or the federal national mortgage association.

7 Sec. 23. Emergency

8 This act is an emergency measure that is necessary to preserve the
9 public peace, health or safety and is operative immediately as provided by
10 law.

APPROVED BY THE GOVERNOR APRIL 5, 2010.

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